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ABSTRACT

Although Michigan has one of the best trained work forces in the nation, the skill gap between what the marketplace needs and what its workers can offer is continuing to widen. Michigan must develop an adult training and education system that is customer driven and customer sensitive, emphasizes shared responsibility of stakeholders, empowers individuals to invest in themselves, is user-friendly, and is accountable. The following actions are thus needed: (1) adopt a new work-readiness goal and work force literacy definition to drive all adult training and education programs; (2) establish a professionally staffed public/private policy board to oversee the new training system; (3) simplify access to all adult training and educational services; (4) develop a standard skills assessment tool to use with program participants; (5) foster joint investments and encourage individuals and the public and private sectors to form training partnerships; (6) create a human resources research and development institute to evaluate labor force needs and schools' responses to them; (7) provide formal training and technical assistance to training providers; and (8) initiate a public information/marketing campaign to promote the new system. The four chapters of this report address, respectively, the skill gap, the skills challenge, the skill-building system, and the skill-building strategy. Appendices provide interview findings, summary of state training and educational programs, examples of joint investments, and a bibliography. (MN)

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STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
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JAMES J. BLANCHARD
GOVERNOR

*In August of 1987, my Cabinet Council on Human Investment launched an intensive research and planning partnership with 14 state departments and IBM. Their goal was to address a chief concern of my administration and of the educators, labor and business leaders, and citizenry of Michigan: Adult Literacy.*

*I am pleased to forward the findings and recommendations that the Cabinet Council's Adult Literacy Task Force prepared for me as identified in this report, Countdown 2000: Michigan's Action Plan for a Competitive Workforce.*

*As this report asserts and as I have emphasized, our chief economic advantage in today's global economy is the skill and resourcefulness of our people. Unleashing our tremendous human potential — creating and maintaining a world class workforce — challenges us to examine the quality and efficiency of the systems we use to transmit new knowledge: our education and job training institutions.*

*Countdown 2000 identifies eight recommendations based on the following four principles: adult education and training programs must 1) be customer-driven; 2) be partnership-oriented; 3) empower individuals; and 4) be user-friendly.*

*These principles and the challenge the report sets forth come at an exciting time in Michigan - a time when state government is revolutionizing how it does business. In my 1988 State of the State Address, I introduced the Michigan Opportunity Card and the Human Investment Fund. These two mechanisms, which I hope to have in operation this fall, are based on the same principles and respond to the recommendations in this report. I assure you that this action plan will be implemented.*

*Countdown 2000 has already stimulated national interest for its innovative comprehensive scope. I commend the Adult Literacy Task Force members for their fine work. Implementing this report represents a major step toward providing every Michigan citizen an opportunity to achieve excellence, our economy an opportunity to prosper and grow, and our industry an opportunity to reassert work leadership.*

*Sincerely,*

James J. Blanchard

*James J. Blanchard*
*Governor*

# COUNTDOWN 2000:

## Michigan's Action Plan For A Competitive Workforce

**Submitted to:** James J. Blanchard
Governor
State of Michigan

**Prepared by:** The Adult Literacy Task Force
Governor's Cabinet Council on Human Investment

**March, 1988**

## EXECUTIVE SUMMARY

***If every Michigan citizen has the opportunity to achieve at least these new basic skill levels, our economy can prosper and grow, our industry can reassert world leadership, and our people can enjoy the rising standards of living that will make Michigan the best place in the world to live, work, and raise a family.***

**--Governor James J. Blanchard**

Michigan, as it continues to transform itself from a symbol of America's aging manufacturing economy to a model of the competitive, technology-based economy of the future, faces a formidable problem: an estimated 1.3 million people do not possess the skills the new economy demands. While we have one of the best trained workforces in the nation, the skill gap is widening between what the marketplace needs and what its workers can offer.

The Cabinet Council on Human Investment was charged with developing a strategic plan "to improve the caliber of Michigan's workforce by offering each resident the real opportunity to maintain and increase quality job skills." Aided by the IBM Corporation and their nationally reputed Application Transfer Study methodology, a ten-member Adult Literacy Task Force held interviews, conducted research, and consulted with national adult literacy experts. The three-month-long, intensive process resulted in this report.

The following recommendations set the framework for a proposed new system and are based on five principles established by the Task Force. A training and educational system must: 1) be customer-driven and customer-sensitive, 2) emphasize shared responsibility of the stakeholders, 3) empower individuals to invest in themselves, 4) be user-friendly, and 5) be accountable. This new system, when implemented, could become a national model.

### Recommendations

**1. Adopt a new "work-readiness" goal and "workforce literacy" definition to drive all adult training and education programs in Michigan.**

**2. Establish a professionally staffed public/private policy board to oversee the design and implementation of an integrated, outcome-oriented adult training, education and supportive services system.**

**3. Simplify access to all adult training and educational services, focusing on a common system so that all Michigan citizens can participate in the development and management of their own skill-enhancement plan.**

**4. Develop a standard skills assessment tool for measuring Michigan's work-readiness goal and definition to use with each participant in all training and educational programs. The assessment will be used in determining incoming skill levels (and thus the appropriate mix of services required), progress toward completion, and in measuring effectiveness of programs.**

**5. Foster joint investments that encourage individuals, the public sector, and the private sector to participate in building Michigan's workforce skills by: 1) creating incentives, and 2) encouraging partnerships. This effort would be enhanced by establishing a statewide partnerships and incentives clearinghouse.**

**6. Create a Human Resources Research and Development Institute as a joint venture between the state and the private sector. The Institute would develop, maintain, and evaluate the profile of Michigan's workforce work-readiness, conduct necessary research on workforce skill needs, and develop curricula and materials consistent with the statewide goal.**

**7. Support Michigan adult training and educational providers with formal training and technical assistance to strengthen their ability to design and deliver programs which meet the statewide goal and definition.**

**8. Initiate a public information /marketing campaign from the highest level of state government that promotes a new workforce training and educational system that is based on individual choice, life-long learning, and accountability.**

The purpose of this report is to provide a strategic plan for the Governor and the State of Michigan in addressing the workforce skill shortage that lies before us. These are, indeed, unconventional times, and the next 12 months will be critical in initiating this comprehensive program. The total commitment of our highest state leaders and program managers, combined with the motivation and energy of our people, will be essential. With such commitment, energy, and redirection, Michigan can build the workforce of the future -- and a future for our workforce.

## TABLE OF CONTENTS

**EXECUTIVE SUMMARY** . . . . . v

**PREFACE** . . . . . ix

**Chapter One -- THE SKILL GAP: Economic and Demographic Change and the Emerging Workforce** . . . . . 1

A New Economy with New Skill Demands . . . . . 4

The Next Michigan Workforce . . . . . 8

**Chapter Two -- THE SKILLS CHALLENGE: Defining and Measuring Work-Readiness** . . . . . 11

What it Takes to be "Work-Ready" . . . . . 11

Who is Work-Ready in Michigan? . . . . . 13

How Big is the "Skill Gap"? . . . . . 17

What Will It Cost to Close the Gap? . . . . . 18

**Chapter Three -- THE SKILL-BUILDING SYSTEM: Good Programs That Need to be Better** . . . . . 21

Everyone Has a Stake . . . . . 21

Skill-Building in Michigan: The Key Policy Players . . . . . 22

The Institutional Challenge to a Work-Ready Workforce . . . . . 24

**Chapter Four -- THE SKILL-BUILDING STRATEGY: Principles and Recommendations for a Competitive Workforce** . . . . . 29

Principles for Improving Michigan's Skill-Building System . . . . . 30

Strengthening the Skill-Building System . . . . . 31

Recommendation #1: Definition . . . . . 31

Recommendation #2: Policy Board . . . . . 32

Recommendation #3: Simplified Access . . . . . 33

Recommendation #4: Standard Assessment . . . . . 33

Supporting the Skill-Building System . . . . . 34

Recommendation #5: Joint Investments . . . . . 34

Recommendation #6: Research Institute . . . . . 35

Recommendation #7: Staff Training . . . . . 36

Marketing the Skill-Building System . . . . . 37

Recommendation #8: Marketing Campaign . . . . . 37

**APPENDICES**

**A.** Additional Examples of Possible Joint Investments . . . . . 39

**B.** Status of Existing Training and Educational Services . . . . . 41

**C.** Interview Findings . . . . . 48

**D.** Persons Interviewed . . . . . 51

**E.** Resource People . . . . . 55

**F.** Bibliography . . . . . 56

# PREFACE

As we approach the 21st century, it is clear that the skill level of Michigan's workforce will be a key to our future as a state. The caliber of our workforce will play a definite role in determining our economic future and well being, our standard of living, and the quality of life for our citizens.

Perhaps the most important lesson we learned from the 1980's is that the well-being of Michiganians depends upon a vigorously competitive economy and that a competitive economy, in turn, depends upon a well-trained and highly adaptable workforce.

Accordingly, in the past several years we have quadrupled our efforts to assure all Michigan children an education that will well prepare them for life. We have established programs to encourage teenagers to return to and stay in school until they complete high school, and increased programs to build the skills of young adults no longer in our public school system. We have strengthened our community college and university system, in recognition of the role they play in creating the entrepreneurs and highly skilled technical workers of the future.

But while we must ensure that the next generation possesses the skills needed to make its way in the world, a larger and more immediate challenge is ensuring that the current generation of Michiganians has the skills necessary to secure and maintain meaningful work and lead rewarding lives. It is a larger challenge because most of the workforce of the year 2000 -- in fact, nearly 80 percent -- is already out of school and in the labor force. It is a more immediate challenge because there is evidence that many of these adults, perhaps exceeding one million, lack the skills to compete in the economy emerging today in Michigan.

According to a recent U.S. Department of Labor report, more than one-half of the new jobs created in Michigan between now and the year 2000 "will require some education beyond high school, and almost one-third will be filled by college graduates." Less than one-fourth of all occupations today require a college degree. Even in the service sector of our economy, where most of the lower-skilled jobs are being created, the skill requirements are often higher than in the low-skill occupations of the past.

For inadequately-skilled Michiganians who are out of work, the steadily increasing skill demands of employers have become a formidable barrier to employment or re-employment — one which shows up in lengthening periods of welfare dependency. For the many more Michiganians who are currently working but who, by virtue of the limitations of their skills and the volatility of the industries in which they work, may be at risk of losing their jobs, the challenge is no less serious. Unless these workers both broaden and deepen their skills base, they, too, face a future of steadily diminishing personal and economic horizons.

Many individuals, organizations, agencies, and companies have risen to the skill-building challenge in Michigan, providing education and training programs for hundreds of thousands of Michigan adults. Employers have been making these investments for years, but the challenge of a rapidly changing economy has spurred many more — including new partnerships with unions, communities, local educational institutions, and state agencies. The State Board of Education's 1985 Adult Literacy Initiative, in its third year of implementation, is focusing on "workplace literacy," coinciding with a nationwide awareness campaign called "Project Literacy U. S."

Yet despite these initiatives, there is evidence that the "skill gap" is widening and that we need to do more to close it. Addressing this issue was the charge of the Cabinet Council on Human Investment's **Adult Literacy Task Force**. (See front inside cover for listing of Task Force members.)

The team members brought a wealth of experience to the project, collectively representing over 23 years of teaching and 26 years of school administration, including adult and community education; 33 years of library administration; state and non-profit administration; employment and training; and employment in the private sector. Team members' community experiences were broad-based, serving as tutors, community college advisory committee members and trustees, PTA presidents, Big Brothers, curriculum and accreditation committee members, employment counselors, crisis hot line workers, financial analysts, bilingual education analysts and teachers, pre-school workers, older worker specialists, handicapper employment analysts, local literacy volunteers, community organization founders and members, and local business organization members.

The IBM Corporation, which has conducted research on workforce literacy for five years, and knowing of Michigan's interest in a comprehensive system to provide workforce literacy services, approached the state to enter a new partnership venture. IBM joined the Task Force, bringing with them their six-step Application Transfer Study (ATS) planning methodology for looking at an issue and proposing solutions. ATS has been used at IBM, as well as many other corporations, and in other states on various public issues. However, no other ATS topic has been as comprehensive as literacy, and state policy on such a comprehensive topic was a unique challenge. Two technical advisors from IBM worked full time with the project, using the strategic planning methodology. A key part of that methodology was extensive interviews with policymakers, employers, researchers, training and educational service providers, and service users throughout the state.

The first step in the ATS methodology was executive level planning. A state top level Goal Setting Team established the project goals and objectives. (See back inside cover for listing of Team members.) They also provided overall guidance to the Task Force through periodic review and feedback sessions.

Finally, the Task Force was aided by experts on adult literacy at two National Literacy Academies, sponsored by the Council of State Policy and Planning Agencies, to which Michigan was one of ten states invited.

The overall charge to the Task Force was: ***to develop a strategy to improve the caliber of Michigan's workforce by offering each resident the real opportunity to maintain and increase quality job skills.*** More specifically, the Task Force sought to address several key questions:

- What kinds of skills will Michigan's workforce need to be competitive as our economy develops — in short, what does "literacy" mean in today's economy?

- Who will need skill-building help?

- Who currently provides skill-building services?

- What can the state do to improve the system by which education and skill-enhancement programs are offered to adults in Michigan?

- How can we ensure that those who participate in these programs are learning the skills needed to secure meaningful work and lead rewarding lives?

This report is an attempt to answer these questions and take the first step toward the development of what will become the most comprehensive and most fully-integrated literacy, skill-building, and work-readiness program in the nation.

The report is in four chapters. Chapter One explores the two forces driving the expansion of the skill gap: increasing skill demands and the declining skill levels of the new entrants to our workforce. Chapter Two examines the extent of the skills challenge, presenting a "work-readiness" definition of literacy consistent with the demands of our rapidly changing economy and exploring the extent to which our current workforce meets that definition. Chapter Three identifies the state players in adult training and education and identifies some of the problems of our current skill-building system. And Chapter Four presents a set of principles to guide improvements to that system and specific recommendations for action by the state. The Appendices provide a listing of the Task Force interview findings and persons interviewed, brief summary of the major state adult training and educational programs, additional examples of joint investments, and a bibliography.

## Chapter One

### THE SKILL GAP: Economic and Demographic Change and the Emerging Workforce

**ITEM:** A few years ago the Ford Motor Company decided to make an all-out effort to improve manufacturing in its Ypsilanti facility by training the entire workforce in statistical process control. It was a bust; more than one-half of the participants were unable to understand the training materials. Instead, a reading program was established for all employees.

**ITEM:** The closing of the cement factory in Alpena, that community's major employer, resulted in hundreds of residents being laid off. Shortly after closing, the firm was purchased by a French company and hiring began. Employees applying for their same jobs had to participate in an assessment of skills program. Up to eight percent of the former employees had reading problems so severe that they did not finish the application procedure. A significant number of the remaining former employees required assistance in completing job applications, looking at job qualifications as compared to their own skills, and bidding on specific jobs. Four hundred and forty-one former employees reapplied; 137 were hired. Math skills of those 137 were so low that the company had the local community college implement an in-plant math training program.

**ITEM:** A small company in Cass City recently assessed the skills of their total workforce for promotion purposes. Less than 50 percent of the employees were able to pass the skills aptitude survey. Following intensive short term training using state funds, up to 80 percent of the workers were able to pass and be considered for promotion.

*Companies find that basic skill deficiencies (reading, writing, speaking/listening, math) of employees will add to their costs not only through greater remediation expenses but also through lower productivity, higher supervisory time and poorer product quality.*

*Employment Policies*
*Looking to the Year 2000*

Michigan, as it continues to transform itself from a symbol of America's aging manufacturing economy to a model of the competitive, technology-based economy of the future, faces a formidable problem: **many of our people do not possess the skills that today's economy demands.**

For decades, Michigan's industrial economy provided high wage jobs for thousands of state citizens, even if they lacked a high school education or the ability to read, so long as they were willing to work hard. On the factory floor, employers provided job-specific training and gradually strengthened the skills of their employees. In time, we built a large, skilled workforce — but the skills were very narrow and, as workers began to be laid off in the early 1980's, many found their skills were not transferable to other jobs in other industries. Worse, they found that prospective new employers were unwilling to pay the high wages to which they were accustomed for their labor.

*There is a strong correlation between level of education and unemployment: nearly 80 percent of our unemployed have less than a high school education. The Carnegie Report on Education and Technology states that nearly 75 percent of the unemployed have inadequate skills.*

At the same time, many of Michigan's young people continued to drop out of school in search of work, only to discover that the factory jobs their fathers and older brothers and sisters once held no longer existed, and that other employers were uninterested in applicants without at least a high school education — even for minimum wage jobs.

The results, both for many of our displaced workers and for many trying to enter the workforce for the first time, have been frustration, prolonged unemployment, and welfare dependency. Indeed, nearly half of Michigan's welfare population lacks a high school education. Many more, including many who possess a diploma, lack the skills employers say they need to qualify for jobs.

Inadequate employee skill levels are extraordinarily costly to Michigan businesses. While no firm figure exists, experts estimate that the effects of inadequate work-readiness — low productivity, workplace accidents, high absenteeism, uneven product quality, and extra supervisory time — cost businesses in Michigan and elsewhere in the nation billions of dollars every year. To upgrade both new and existing employees, corporations spend hundreds of millions of dollars on basic skill-development and skill-enhancement programs.

The direct social costs are also high. Of those who depend upon some form of public assistance in Michigan, 48 percent have less than a high school education — a common proxy for "work-readiness." The connection with crime is also high; as many as 30 percent of Michigan's prison inmates read at less than a sixth grade level.

Finally, the human costs, while difficult to quantify, are clearly significant. Inadequate education or skill levels do not cause poverty, crime, teen pregnancies, spouse or child abuse, and other human tragedies, but there is nevertheless a close correlation between these problems and literacy levels. The earnings of adults with less than a high school education are sharply constrained, affecting their ability to support a family. The limits of their education create low self-esteem and feelings of inadequacy, attitudes which can make them poor employees or prevent them from even pursuing employment or training opportunities, including those for which they may qualify. The resulting personal frustration too often results in substance abuse or abusive behavior. Ultimately, parents who cannot read to or help build the reasoning skills of their children, pass on to a new generation a legacy of low literacy levels, personal frustration and limited horizons.

What is Michigan doing to change this? It has focused significant attention and new resources on our K-12 school system — the skill-building ground for our next workforce. In addition, we estimate that the state spends some $500 million each year on adult high school completion, adult basic skills training, occupational skills development, assessment, and related programs for people both in and out of work who seek additional skills or employment assistance. (See Appendix B for summary of major state adult training and educational programs.) Finally, private organizations, corporations, unions, and businesses spend millions more each year on training ranging from remedial education to advanced technical skills.

*Forty percent of the adults with yearly incomes under $5,000 are functionally illiterate.*

Despite these investments, there is a "skill gap" in Michigan and it is widening. Does this mean that Michigan's workers are becoming less skilled? Less literate? The answer is **No**. Indeed, Michigan's present workforce has probably never been so well-educated. But it is not enough. The skill demands of our economy are increasing so rapidly that our workforce and the institutions that educate and train them are having difficulty keeping up. Specifically, two things are happening in Michigan to create this widening "skill gap":

*The lack of self-esteem and feelings of inadequacy experienced by many illiterate adults prevent them from realizing their potential by pursuing job opportunities or promotions.*

- Our economy is changing, and the new jobs it is creating require higher levels of skill than before, as well as different kinds of skills.

- The composition of our workforce is changing, and the skill levels of many of the **new** entrants appear lower than before.

*The problem of illiteracy is often passed from generation to generation. Parents who cannot read often have children with the same problem.*

## A New Economy With New Skill Demands

*The public must be made aware that education, training and retraining are a vital part of working life. Training must be viewed as a lifelong process.*

*Employment Policies*
*Looking to the Year 2000*

As Michigan's economy strives to be competitive in a rapidly changing global marketplace, the skill levels of new jobs being created, with few exceptions, are increasing. Between 1985 and 1995 the total number of jobs in our economy will rise from about 3.93 million to 4.30 million, according to the Michigan Employment Security Commission . (See Figure 1.) Job growth will be greatest in higher-skilled occupations: technical and professional (97,000 new jobs), service (90,000), sales (65,000), managerial (53,000), and clerical (46,000). Growth will be slowest, or will actually decline, in occupations traditionally requiring relatively little formal education: laborers and operatives (5,000), and agricultural workers (-2,000).

Moreover, the new jobs being created in our economy require higher levels of schooling than they once did, according to the U.S. Bureau of Labor Statistics. Fully 52 percent of new jobs require one or more years of college — a 24 percent increase from the current level of 42 percent. Only 34 percent of new jobs require no more than a high school education, down from 40 percent for current jobs. (See Figure 2.) For those Michiganians with less than a high school education, only 10 percent of the new jobs will require one to three years of high school, down from 12 percent currently; those requiring no high school at all will drop from six percent to four percent.

*Some companies have calculated that the occupational "half-life" (length of time when one-half of the knowledge and skills needed by workers to perform their jobs are obsolete) has declined from 7-14 years to 3-5 years.*

*James Jacobs*
*Training and Public Policy*

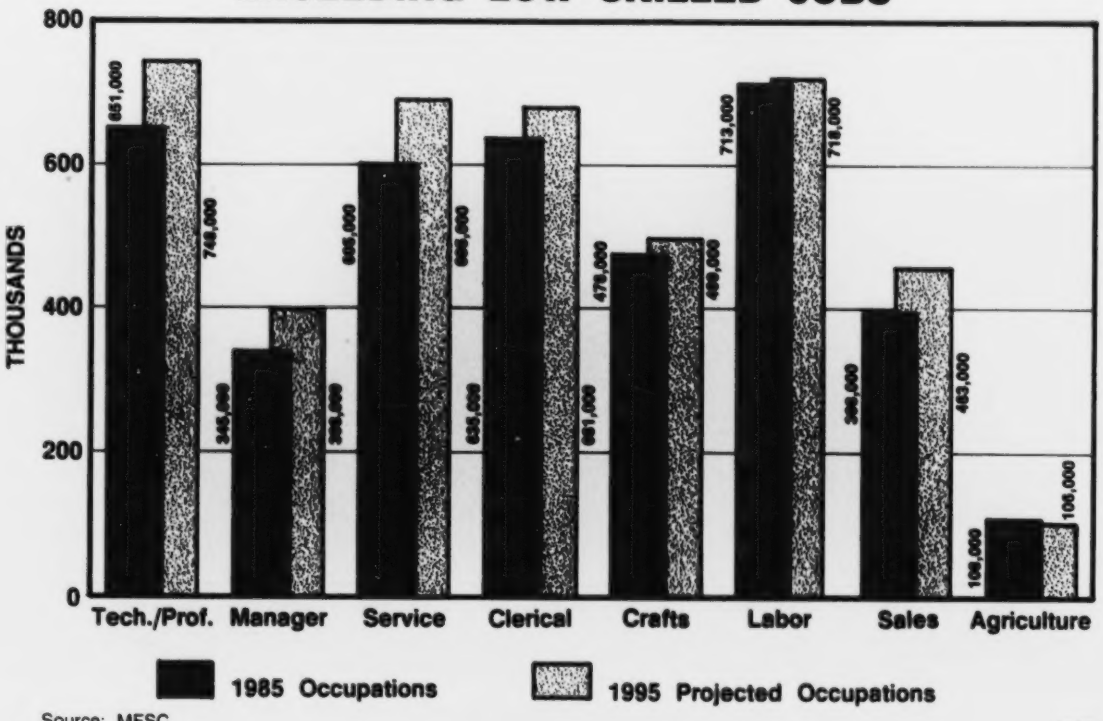
The U.S. Department of Labor compared these rising educational demands with the major job categories and found that, of the fast-growing job categories, all but one — service occupations — will require more than the median education level (12.6 years of school today; 13.5 years in 2000). On the other hand, all of the job categories requiring less than the median education level are growing slowly or declining.

How do these figures compare with the education and skill levels of today's Michigan workforce? The most complete survey of the educational attainment of Michigan's workforce was conducted during the 1980 Census. While these figures are dated, they are nevertheless revealing. (See Figure 3.)

- Thirty percent of the *new* jobs that will be created between 1987 and 2000 will require at least four years of college; only 17 percent of Michigan's workforce possesses college credentials.

- Twenty-two percent of new jobs will require from one to three years of college, but only 20 percent of our workforce has reached that level of schooling.

## FIGURE 1.
## GROWTH IN HIGH SKILLED JOBS EXCEEDING LOW SKILLED JOBS




Source: MESC

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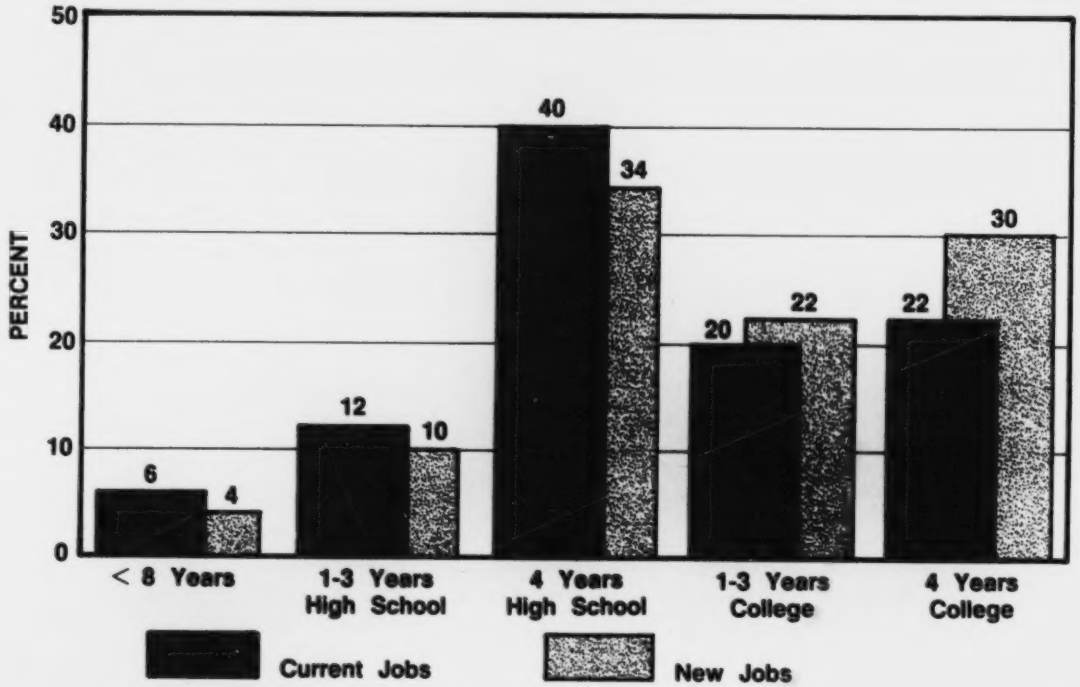
## FIGURE 2.
## NEW JOBS REQUIRE MORE EDUCATION U.S.




Source: U.S. Bureau of Labor Statistics

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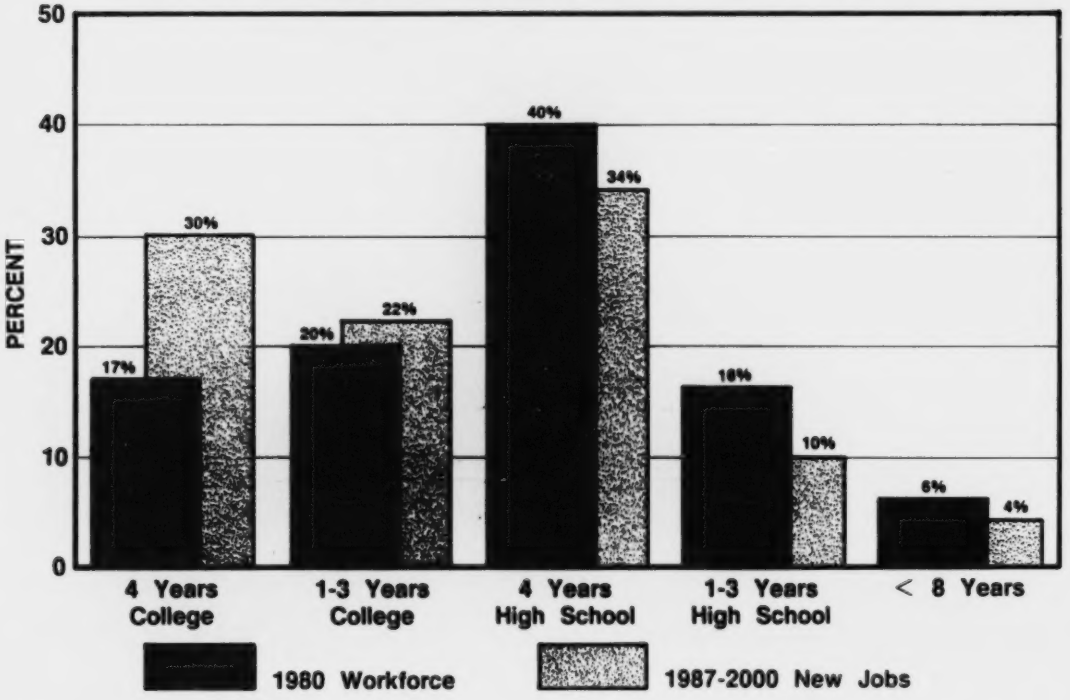
**FIGURE 3.**

**MICHIGAN WORKFORCE BELOW PROJECTED EDUCATIONAL LEVELS FOR NEW JOBS**




Sources: U.S. DOC, BLS & Census

10/87

• The number of jobs requiring a high school education or less will decline between now and the year 2000. That's bad news for Michigan since the majority of our workforce falls in these categories.

• Only 34 percent of the new jobs will require a high school education, although 40 percent of our workforce has reached that level.

• Only 10 percent of the new jobs will require one to three years of high school, the educational level of fully 16 percent of our workforce.

• Only four percent of the new jobs will require only an elementary school education, the educational attainment level of six percent of our work force.

In short, we have too many workers with limited education, given the number and kind of jobs being created in our economy, and not enough with advanced education. What's more, the census figures are based upon the grade level people have attained, not the level at which they are really functioning. All of us experience some fall off in various skills learned while in school.

In addition to the steady increase in the **number** of jobs requiring higher skill levels, the **content** of all jobs, including those at the low end, will require significantly higher language, math, and reasoning skills in the future than they do now, according to the U.S. Department of Labor. While this is especially true in technical or managerial occupations, it is **also** true in those fast-growing occupations that traditionally have required only modest educational attainment, such as service, sales, or clerical jobs. And since there will be very few net new jobs in the traditionally low-skilled occupations (laborers, etc.), these service-related jobs will become the "least skilled" new jobs of the future — even though they are far from unskilled jobs. Furthermore, we can expect the pressure for skill upgrading in the service-related jobs to increase, as industries in this sector strive to overcome their lagging productivity.

To a significant extent, these two conditions — the scarcity of new (net) unskilled jobs and the skill upgrading at the lower end of the new jobs the economy is creating — appear to be the reasons those displaced from, or just entering Michigan's workforce find it so hard to get new jobs. These same conditions also limit the prospects of those Michigan workers who currently hold jobs that are at risk of being eliminated **OR** whose skill levels are so low that they are unable to change jobs within the companies for which they currently work.

***Too little resources are elevated to the writing and mathematics abilities of occupational students. ...There is a need to focus vocational training for entry level workers not only on present skills, but in anticipation of learning future skills.***

***James Jacobs***
***Training and Public Policy***

These trends are thus a major challenge both for those who work (and their employers) and those who don't.

*...the definition of "literacy" is a moving target; like a walk to the horizon, the more you move toward it, the further it recedes.*

## The Next Michigan Workforce

The "skill gap" is driven as much by demographic change as it is by skill demands. All of the people who will make up Michigan's workforce in the year 2000 have already been born. A majority of them, perhaps as many as 80 percent, are already out of school and working — or seeking work.

To understand the extent of the challenge we face, we need to know something about the skill and literacy levels of those already working and the work-readiness of those who are entering the workforce today and in the next few years.

Estimates of how many people are or are not "literate" depend entirely on how we define the term. And, the definition of "literacy" is a moving target; like a walk to the horizon, the more you move toward it, the further it recedes. That is one reason why it appears infrequently in this report. The other reason is that "literacy" as most of us commonly understand it is an outdated notion.

A century ago, you were literate if you could sign your own name. More recently, educators have used the word to differentiate between those of us who could read and write and those who could not. Today, probably fewer than one-half of one percent of our population is "illiterate" by this definition.

In the meantime, "literacy" has moved on. Today, educators — and employers — are concerned about people who may have such limited reading and writing skills that they have trouble with such everyday tasks as reading job notices, completing a job application, writing a check, or understanding a manual, and communicating and functioning in a participatory "teamwork" environment, for example. Included in this group are millions of people, from young adults to senior citizens who — because they dropped out of school, or completed school but failed to gain what we consider an adequate education, or any of a host of other reasons (including handicaps and learning disabilities) — simply do not possess the skills to function in today's complex society. The U.S. Department of Education estimates that 27 million Americans — one out of every five adults — are, by this definition, "functionally illiterate."

There are arguments over whether this figure is too high or too low, and there are no firm estimates specific to Michigan. But several

things are clear. First, people age 40 and older have significantly higher rates of functional illiteracy (ranging between 19 and 35 percent) than people under 40 (between 11 and 16 percent) — a legacy, in part, of our factory economy, in which formal education was less important than hard work. Second, according to national data, women are slightly more likely to be functionally illiterate than men (23 percent versus 18 percent). Third, while most functional illiterates are white, minorities are disproportionately represented: Blacks, Native Americans, and Hispanics are three times more likely to be functionally illiterate than whites (between 44 and 56 percent versus 16 percent).

These disproportions help us to understand who is most at risk in Michigan's rapidly changing economy and give us some perspective on how the work-readiness of our workforce may change in the very near future. First, the fact that functional illiteracy is more pronounced in older workers than young ones helps explain the difficulty older displaced workers have in finding new jobs after they are laid off. It also explains why the wages available to them are so much lower than they were accustomed to in their previous factory jobs. Finally, it underscores the risk those workers with high seniority but limited skills face in their current jobs if they do not take advantage of skill enhancement programs, either on the job or elsewhere.

Second, and even more compelling in the long term, is the fact that work-readiness — that is, the possession of communication, computation, attitudinal, and reasoning skills needed for functioning in today's economy — is **lowest**, proportionately, in the very segments of the population from which most of the new entrants to Michigan's workforce will come: women, minorities, and older citizens.

Between now and the year 2000, the Michigan workforce will grow more slowly than in any other period since the 1930's. With the "baby boomers" already working, the number of new entrants to the workforce will drop sharply. Consequently, our workforce will become older than ever before, approaching an average age of 40. The good news is that such workers will tend to be more experienced and reliable. The bad news is that they are likely to be less willing to change, to switch jobs, or to seek retraining.

What's more, according to the U.S. Department of Labor, the people who will enter the workforce in the next few years will possess **fewer** skills than those in the current workforce. Almost two-thirds of the new entrants will be women. Non-whites will make up 29 percent of the new entrants, twice their current share. A disproportionate share will have skill limitations, according to currrent estimates.

***If current demographic and economic trends continue, American businesses will have to hire a million new workers a year who cannot read, write or count.***

***David Kenius***
***Xerox Chairman***

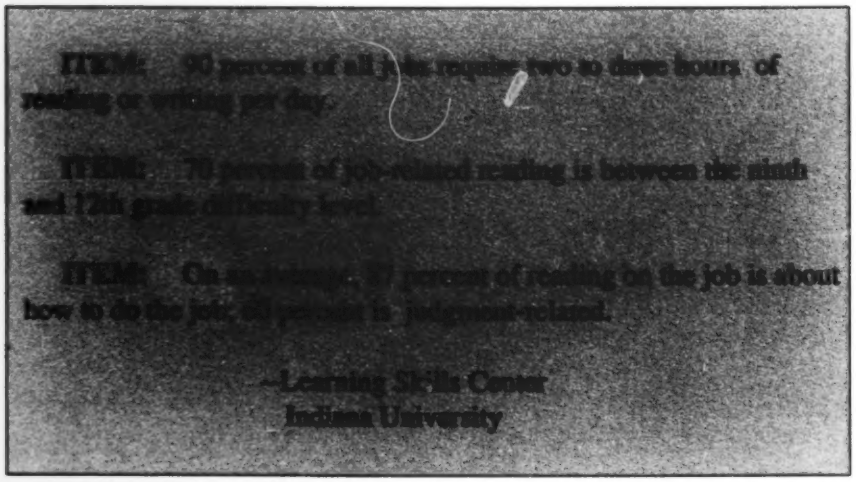
***...specific technical programs should be designed to serve older workers on the job. Part of this training should be customized basic skills courses to develop communications, reading and mathematics skills.***

***James Jacobs***
***Training and Public Policy***

In short, unless we take action, the skill gap will significantly widen in the next decade. There will be fewer new workers and they will be less skilled than the workforce we have today -- even as the skill requirements of tomorrow's jobs increase.

## Chapter Two

# THE SKILLS CHALLENGE: Defining and Measuring Work-Readiness


ITEM: 90 percent of all jobs require two to three hours of reading or writing per day.
ITEM: 70 percent of job-related reading is between the ninth and 12th grade difficulty level.
ITEM: On an average, 75 percent of reading on the job is about how to do the job; 25 percent is judgment-related.
–Learning Skills Center
Indiana University

## What It Takes To Be "Work-Ready"

As Michigan's economy has changed, what it means to be "skilled" has also changed. As the tasks involved in a given job increase and become more complex and technical, the skills needed to perform the job successfully — and therefore what it takes to be "ready" for such jobs — also increase.

We know from the concerns expressed during our interviews with employers, educators, and customers of services, and from our own data on unemployment and welfare dependency, that many Michigan citizens — some of them working, some not — lack the skills needed to compete in today's workforce. What we don't know is precisely how many.

We don't know for two reasons. First, more kinds of skills are needed to compete in today's economy than ever before, and even the experts disagree about the level of skills that individuals should possess. And second, no one has ever measured the Michigan population to assess the skills they currently possess.

*What is important is whether an individual possesses a sufficient range of skills and attitudes to be able to take advantage of life's economic, social, and personal opportunities while maintaining a flexible outlook.*

Under the circumstances, we are forced to estimate. But estimate what? "Literacy," or "work-readiness" is not a condition one either does or does not possess. It makes more sense to think of literacy as a composite of language, quantitative, interpersonal, attitudinal, and reasoning skills, from the most basic to the most advanced. Each of us falls somewhere on a continuum for each of these skills. Further, in a rapidly changing economy, we now know that basic literacy — reading, writing, and arithmetic — is not enough. We know from the narrowly skilled, displaced workers struggling to find new jobs in Michigan, that being able to do specific tasks is not enough either. What is important is whether an individual possesses a sufficient **range** of skills and attitudes to be able to take advantage of life's economic, social, and personal opportunities while maintaining a flexible outlook. What matters is whether the skills people possess are broad and "portable" — that is, applicable to many jobs, not just one.

If Michigan is to succeed in building the economy of the future, it must build the workforce of the future as well. Our goal must be:

**To assure that Michigan adults are able to understand and use printed information of all forms; perform quantitative functions; possess the reasoning, communication, personal, behavioral, and job seeking skills needed to secure meaningful work in the changing world of work; and lead rewarding lives.**

To achieve this goal, our workforce will need the following skills or "new literacy" to meet the changing realities of Michigan's economy:

- **Language/Communication Skills** (the ability to read and write, comprehend and easily use a wide range of printed materials, and speak clearly and effectively).

- **Quantitative Skills** (the ability to perform basic mathematical computations, understand charts and graphs, and apply these skills to analyze or synthesize quantitative problems).

- **Problem-Solving Skills** (the ability to reason and solve practical problems, follow complex written or oral instructions, and deal with situations in which there may be several variables).

• **Interpersonal/Attitudinal Skills** (possession of the qualities of self-esteem, motivation, reliability, and punctuality, the ability to deal with and work cooperatively with others, and acceptance of the concepts of lifelong learning, uncertainty and change).

• **Job-Seeking/Self-Advancement Skills** (the ability to assess one's abilities and ambitions and obtain the skills needed to fulfill them).

Each of these skills is essential and must become Michigan's definition of "work-readiness" or, in essence, "workforce literacy." For each individual and for each work situation all five of these skills will be needed. However, each skill must be viewed as a continuum. How fully-developed each skill **must** be will be determined by the work situation. How fully-developed they **can** be is up to each individual.

## Who Is Work-Ready In Michigan?

The simplest way to estimate how many Michigan adults may or may not be "work-ready" is to look at how much schooling they have. The 1980 Census found that, of all Michigan's adults age 20 or older (including those not in the workforce), two percent (119,618) reported four years of school or fewer; 11 percent (692,734) between five and eight years; 17 percent (1,014,391) between nine and 11 years; 39 percent (2,411,056) completed high school; and 31 percent (1,909,979) had 13 or more years of schooling. (See Figure 4.)

*These new technologies have also brought a new concern with interpersonal and "team" skills. This concern has transformed training programs into more general courses in production strategies and troubleshooting, and has raised a concern for management about issues such as the ability of workers to read, write and communicate.*

*James Jacobs*
*Training and Public Policy*

**Figure 4. Grade Completion Data**
**Michigan Adults 20 Years and Older (Source: 1980 Census)**

Total Population: 9,262,078
Population 20 years of age and older: 6,147,778

| | Grade Level Completed | | | | |
|---|---|---|---|---|---|
| | 0 - 4 | 5 - 8 | 9 - 11 | 12 | 13 and over |
| Actual Reported Numbers | 119,618 | 692,734 | 1,014,391 | 2,411,056 | 1,909,979 |
| | 12% of 20+yrs. | 11% of 20+yrs. | 17% of 20+yrs. | 39% of 20+yrs. | 31% of 20+yrs. |

What does this tell us? Clearly, the fact that someone reports *having completed a certain grade does not always mean that they are* functioning at the capacity educators associate with that grade level. They may have completed the grade, but do not actually have the skills one associates with it — a problem which has led in part to significant educational reforms in Michigan and increases in state education expenditures. On the other hand, they may have had little formal schooling but may be functioning at quite high levels. Despite these problems, educators generally agree that school completion levels correlate with associated literacy levels.

***...people develop a variety of literacy abilities that reflect the social setting in which they interact with printed material, whether this be the home, community, school, or workplace.***

***Literacy: Profiles of America's Young Adults***

But how much schooling does it take to be "literate"? In 1979, the U.S. Census Bureau said six years, by which perhaps some 300,000 Michiganians would be classified as "illiterate." The military says nine years is necessary, a level some 690,000 Michigan adults have failed to reach. And many, looking at the skill requirements of the new jobs being created in our economy argue that to be truly literate in the sense of "work-ready," at least 12 years of school — a high school diploma or equivalent — is required. By that measure, fully 30 percent of Michigan's adults may not be work-ready.

In reality, based on discussion in Chapter Two, level of educational attainment is too limited a measure to meet our needs. As the demands of work and society have changed, so has the definition of what it means to be "literate."

A more sophisticated measure of skills that begins to address the crucial issue of work-readiness is the U.S. Department of Labor's Scale of General Educational Development — a system devised to measure the skill levels required by different occupations. It covers six levels of competence in three categories: reasoning development, mathematical development, and language development. This scale has never been applied to the Michigan workforce, nor was it developed for that purpose. But there is an approximate correlation between the objectives our school system sets for various grade levels and the six skill levels in the scale. Since we know from the Census the approximate educational attainment of our population, we can compare those figures with the Scale of General Educational Development and begin to get a fix on the potential skill levels, not just the grade levels, of Michigan adults. (See Figure 5.)

Using this method, we can estimate that the roughly 100,000 Michigan adults who have completed no more than the third grade function at the most rudimentary first skill level of the Scale of General Educational Development; that those approximately 690,000 adults who have completed eighth grade function at the second skill level (and meet the most basic definitions of literacy); that those 3.4

million adults who have had between one and four years of high school function at the third or fourth scale level (and meet most of the tests of functional literacy); and that those nearly two million adults who have one or more years of college function at scale level five or above and will have little or no difficulty meeting the skill demands of the jobs being created in the next decade.

By far the most comprehensive and useful skills measure — because it asks participants to perform tasks similar to those encountered in real life — is the 1986 National Assessment of Educational Progress (NAEP) Literacy Study conducted by the Educational Testing Service. This study sought to measure the ability to use printed information "to function in society, to achieve one's goals, and to develop one's knowledge and potential" — far more than simple basic reading and writing. A nationally-representative sample of 3,600 young adults, age 20 to 25, were tested in three areas of competence:

**Prose Literacy** (understanding and using text).

**Document Literacy** (understanding and using forms, tables, maps, schedules, and graphs).

**Quantitative Literacy** (practical math skills like balancing a checkbook, computing interest, etc.).

Based on results of the test, NAEP developed a "profile" of the skills of young adults along a continuum of increasing levels of difficulty in each competence, not simply an arbitrary cut-off between literacy and illiteracy. Scores ranged from zero to 500, with average performance at 305. While all but a few participants could function at the 200 level in prose, document, and quantitative assessments, performance dropped off sharply above 300. Only about 20 percent could perform at or above the 300 levels on the three scales.

What does this mean for adults and for Michigan adults in particular? Again, no NAEP study has been done of our population. But Educational Testing Service officials are willing to say that a rough correlation exists between scores on their three scales and educational attainment — again, the only data we do have for all Michigan adults. The most basic skills level, which 96 percent of those tested could attain, was between zero and 200, roughly equivalent to no more than four years of schooling. The range between 201 and 275, more complex but still below the average, was attainable by 80 percent of those tested and is roughly equivalent to five to eight years of schooling. The range from 276 to 300, attainable by 62 percent, is roughly equivalent to nine to 11 years of schooling. In fact, the average score, 305, when correlated to school completion, was not much different

*Business, in general, is not interested in narrow vocationalism. It prefers curriculum that stresses literacy, mathematical, and problem-solving skills. Such a curriculum should emphasize learning how to learn and adapting to change. The schools should also teach and reward self-discipline, reliability, teamwork, acceptance of responsibility, and respect for the rights of others.*

*Investing In Our Children*

## Figure 5. Scale of General Education Development (GED)

| Reasoning Development | Mathematical Development | Language Development |
|---|---|---|
| 6 Apply principles of logical or scientific thinking to a wide range of intellectual and practical problems. Deal with nonverbal symbolism (formulas, scientific equations, graphs, musical notes, etc.) in its most difficult phases. Deal with a variety of abstract and concrete variables. Apprehend the most abstruse classes of concepts. | Advanced calculus:<br>Work with limits, continuity, real number systems, mean value theorems, and implicit function theorems.<br>Modern algebra:<br>Apply fundamental concepts of theories of groups, rings, and fields. Work with differential equations, linear algebra, infinite series, advanced operations methods, and functions of real and complex variables.<br>Statistics:<br>Work with mathematical statistics, mathematical probability and applications, experimental design, statistical inference, and econometrics. | Reading:<br>Read literature, book and play reviews, scientific and technical journals, abstracts, financial reports, and legal documents.<br>Writing:<br>Write novels, plays, editorials, journals, speeches, manuals, critiques, poetry, and songs.<br>Speaking:<br>Conversant in the theory, principles, and methods of effective and persuasive speaking, voice and diction, phonetics, and discussion and debate. |
| 5 Apply principles of logical or scientific thinking to define problems, collect data, establish facts, and draw valid conclusions. Interpret an extensive variety of technical instructions in mathematical or diagrammatic form. Deal with several abstract and concrete variables. | Algebra:<br>Work with exponents and logarithms, linear equations, quadratic equations, mathematical induction and binomial theorem, and permutations.<br>Calculus:<br>Apply concepts of analytic geometry, differentiations and integration of algebraic functions with applications.<br>Statistics:<br>Apply mathematical operations to frequency distributions, reliability and validity of tests, normal curve, analysis of variance, correlation techniques, chi-square application and sampling theory, and factor analysis. | Same as Level 6. |
| 4 Apply principles of rational systems[1] to solve practical problems and deal with a variety of concrete variables in situations where only limited standardization exists. Interpret a variety of instructions furnished in written, oral, diagrammatic, or schedule form. | Algebra:<br>Deal with system of real numbers; linear, quadratic, rational, exponential, logarithmic, angle and circular functions, and inverse functions; related algebraic solution of equations and inequalities; limits and continuity, and probability and statistical inference.<br>Geometry:<br>Deductive axiomatic geometry, plane and solid; and rectangular coordinates.<br>Shop Math:<br>Practical application of fractions, percentages, ratio and proportion, measuration, logarithms, slide rule, practical algebra, geometric construction, and essentials of trigonometry. | Reading:<br>Read novels, poems, newspapers, periodicals, journals, manuals, dictionaries, thesauruses, and encyclopedias.<br>Writing:<br>Prepare business letters, expositions, summaries, and reports, using prescribed format and conforming to all rules of punctuation, grammar, diction, and style.<br>Speaking:<br>Participate in panel discussions, dramatizations, and debates. Speak extemporaneously on a variety of subjects. |
| 3 Apply commonsense understanding to carry out instructions furnished in written, oral or diagrammatic form. Deal with problems in or from standardized situations. | Compute discount, interest, profit, and loss; commission markup, and selling price; ratio and proportion; and percentage. Calculate surfaces, volumes, weights, and measures.<br>Algebra:<br>Calculate variables and formulas; monomials and polynomials; ratio and proportion variables; and square roots and radicals.<br>Geometry:<br>Calculate plane and solid figures; circumference, area, and volume. Understand kinds of angles, and properties of pairs of angles. | Reading:<br>Read a variety of novels, magazines, atlases, and encyclopedias. Read safety rules, instructions in the use and maintenance of shop tools and equipment, and methods and procedures in mechanical drawing and layout work.<br>Writing:<br>Write reports and essays with proper format, punctuation, spelling and grammar, using all parts of speech.<br>Speaking:<br>Speak before an audience with poise, voice control, and confidence, using correct English and well-modulated voice. |
| 2 Apply commonsense understanding to carry out detailed but uninvolved written or oral instructions. Deal with problems involving a few concrete variables in or from standardized situations. | Add, subtract, multiply and divide all units of measure. Perform the four operations with like common and decimal fractions. Compute ratio, rate, and percent. Draw and interpret bar graphs. Perform arithmetic operations involving all American monetary units. | Reading:<br>Passive vocabulary of 5,000-6,000 words. Read at rate of 190-215 words per minute. Read adventure stories and comic books, looking up unfamiliar words in dictionary for meaning, spelling, and pronunciation. Read instructions for assembling model cars and airplanes.<br>Writing:<br>Write compound and complex sentences, using cursive style, proper end punctuation, and employing adjectives and adverbs.<br>Speaking:<br>Speak clearly and distinctly with appropriate pauses and emphasis, correct pronunciation, variations in word order, using present, perfect, and future tenses. |
| 1 Apply commonsense understanding to carry out simple one- or two-step instructions. Deal with standardized situations with occasional or no variables in or from these situations encountered on the job. | Add and subtract two digit numbers. Multiply and divide 10's and 100's by 2, 3, 4, 5. Perform the four basic arithmetic operations with coins as part of a dollar. Perform operations with units such as cup, pint, and quart; inch, foot and yard; and ounce and pound. | Reading:<br>Recognize meaning of 2,500 (two- or three-syllable) words. Read at rate of 95-120 words per minute. Compare similarities and differences between words and between series of numbers.<br>Writing:<br>Print simple sentences containing subject, verb, and object, and series of numbers, names, and addresses.<br>Speaking:<br>Speak simple sentences using normal word order, and present and past tenses. |

[1]Examples of rational systems are: bookkeeping, internal combustion engines, electric wiring systems, house building, nursing, farm management, and navigation.

from the generally accepted median skill levels of today's jobs: 12.6 years of schooling. While NAEP tested only 20 to 25 year-olds, we know that skills generally decline as people age. It would not be unrealistic to view their findings as a conservative profile of the adult population as a whole.

## How Big is the "Skill Gap"?

So who is not work-ready in Michigan's economy? Is it everyone with less than an elementary school education? Less than a high school education? Everyone below the third level of the Scale of General Educational Development or a score of 275 on the NAEP assessment? Ultimately, where these measures lead us is not the answer to the question "Who is work-ready in our economy?" but to another question: "Ready for what kind of work?" The skill gap is, in effect, the difference between the skill demands of all of the jobs being created in our economy and the skills possessed by all of the people who seek them.

Looked at another way, if literacy — and therefore work-readiness — is a continuum, then the "skill gap" is a continuum too, one whose dimensions are determined by the kinds of jobs being created in our economy and the kinds of people available to fill them. The extent of our skill gap is the mismatch between the two. And it's easier explained than counted.

***The area of greatest student decline is in critical thinking skills and problem solving.***

***National Assessment of Educational Progress***

Today, some 78 percent of all the jobs in our economy are held by people with a high school education, according to the Michigan Employment Security Commission. Yet 82 percent of current jobs require a high school diploma or more. (See Figure 2.) These same sources predict that 86 percent of the **new** jobs created between now and the year 2000 will require at least a high school diploma, with increasing demand for up to four years of college. Even allowing for the acquisition of skills outside of formal schooling, it is clear that a skill shortage exists today, and it will grow in the near future.

But just how many people are caught in the skill gap? The figure varies. It is one of the most elusive numbers to determine because (as was discussed earlier) there is no agreed upon definition or measurement of functional workplace literacy.

In the meantime, several figures are currently being used. The Michigan Department of Education reports that there are 800,000 adults 20 years of age and older in Michigan with less than a ninth grade education, with an additional one million who have between a

ninth and an 11th grade education. But not all are in or desire to be in the workforce. We estimate that 1.26 million of the **workforce** have an education below high school.

Some national experts estimate that 20 percent of all adults (27 million nationally) are functionally illiterate, a figure that translates to 1.3 million in Michigan today. But the definition used for functional literacy in this case is based on reading only. Literacy expert Jonathon Kozol combines functional and marginal literacy to conclude that the figure is closer to 60 million of all adults in the nation lack the skills to compete in today's economy, a figure that translates to 2.9 million of Michigan's 6.6 million adults.

***Many who graduate (from high school) and go on to higher education need remedial reading and writing courses, which about two-thirds of U.S. colleges now provide.***

***Investing In Our Children***

NAEP studies show that only 62 percent of adults ages 20 to 25 with high school diplomas actually **function** at a high school level. Whether this rate can be projected to the total adult population is debatable.

To determine how many Michigan adults are lacking the skills needed to adequately function in the workplace, we looked at the above figures at present and projected occupational skill levels needed, and the number of people presently and projected to be in the workforce. Our best estimate is that, **at a minimum**, 1.2 million adults in Michigan today face a skill gap, growing to 1.3 million by 1995.

## What Will It Cost To Close the Gap?

In the absence of a statewide system for assessing both the needs of Michigan's employers and the skill levels, or work-readiness, of our workforce, estimating the costs of closing the skill gap is an almost purely theoretical exercise. It may even be unnecessary. We are already spending hundreds of millions of dollars on adult education, skill development, and training. It may well be that clarifying the objectives and expected outcomes of these investments, and systematizing at least the publicly-provided programs, will go a long way toward closing the gap. Moreover, the cost will depend, to a significant extent, upon who chooses to take advantage of our programs and what their personal objectives are -- neither of which is predictable.

What it will cost to move individuals along the continuum of skills depends upon how far they have to go and what it costs to move them along a given increment of the continuum. The national average cost of increasing reading one grade level (admittedly, a somewhat narrow measure of skill enhancement) is $560 per grade. We might assume

that especially innovative or intensive programs could reduce this figure, but it would be increased, at the same time, by our commitment to address not just reading but other skills as well.

We know that moving one grade level is inadequate for most people in the workforce. But the dilemma we face is that we do not know where individuals presently are on the continuum. We also do not know which workers are about to retire and are uninterested in training, which ones are simply not interested in upgrading skills, which ones are unemployed and already in training and educational programs, and which persons in the workforce have adequate skills today but will be "at risk" in a few years due to changing workplace needs. We also do not know exactly what the skill levels of the new entrants into the workforce will be over the next several years; projections, however, generally indicate levels will be somewhat lower than in the past.

It is, therefore, impossible to predict how many education and training dollars will be necessary over the next several years to meet the demand. A single cost figure is impossible to derive, given the number of uncontrollable variables involved.

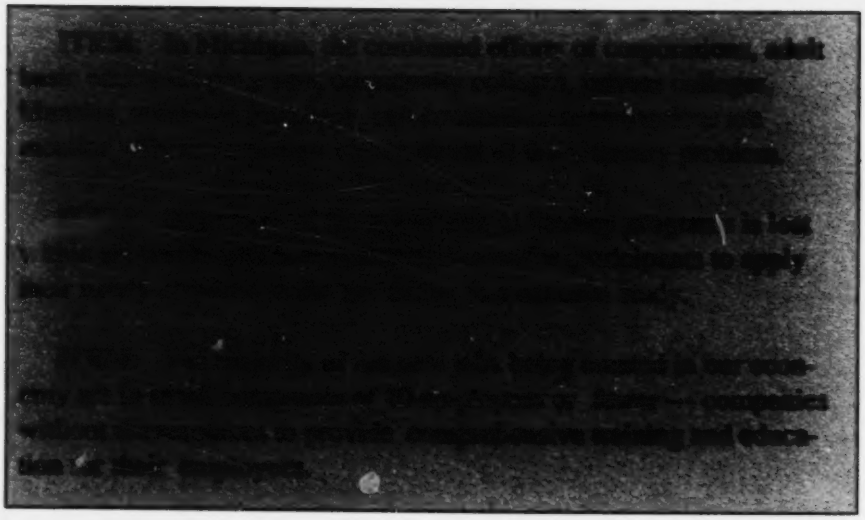
The **salient** question is: How can we mobilize the resources we have to begin to close the skill gap?

*No new money for new programs—organize the ones we have.*

*Customer Interviewed*

## Chapter Three

### THE SKILL-BUILDING SYSTEM: Good Programs That Need To Be Better



### Everyone Has A Stake

The economic and institutional context for enhancing workforce skills is complex. Michigan's employers spend millions of dollars each year on training as their ability to compete in a global economy depends increasingly on having a well-trained and adaptable workforce. For the same reasons, both the Governor and Michigan's unions are committed to skill-building. Since schools have the major responsibility for building the skills of the next generation of Michigan workers, and because many adult educational programs are administered by our schools, Michigan's educational system is an essential player. As there is a direct correlation between welfare dependency and the educational levels of working-age adults, and since the

*...the energy and commitment of all sectors of the economy are required to bring about a solution. Each of us must play a part.*

*William H. Kolberg, President National Alliance of Business*

*Government needs to keep programs flexible so they can be used by employers.*

*Employer Interviewed*

ability of many adults to obtain training depends upon the availability of child care assistance and transportation between where people live and where jobs exist, social service agencies are involved. And finally, every adult with children to raise or dreams of a better future has a stake in the availability and quality of skill-building programs in Michigan.

In part because the issue is important to so many individuals and groups, there are many resources available for increasing the work-readiness of Michigan's workforce. The Governor and the Legislature have increased funding for the public school system in response to increased awareness of the direct link between the quality of the students our schools produce and the future of our economy. Investments in adult basic education have permitted Michigan to build a system that serves twice as many adults as the national average. Eleven state agencies and departments administer more than 50 programs that provide training and related services to adults. Specific gubernatorial initiatives like the Blue Ribbon Commission on Welfare Reform and the "Hard To Serve Initiative" have focused attention on segments of the work-readiness issue. Private sector training investments (for which we have no firm estimates) and investments in the public school system ( roughly a half billion dollars of federal and state money) are channeled each year into programs to increase the work-readiness of our workforce.

But despite the number of stakeholders and the magnitude of the resources already dedicated to literacy in general and adult training and education in particular, the skill gap — as we saw in Chapter One — is widening. Economic and demographic changes are such that the need is growing faster than our ability to meet it.

**By any measure, Michigan is a national leader in conventional literacy programs...but these are unconventional times, and the evidence is clear that we need to do things differently if we are to succeed in building the workforce of the future and a future for our workforce.**

## Skill-Building In Michigan: The Key Public Players

The public agency leaders in adult education, skill-building, and related work-readiness programs are the Michigan Departments of Education, Social Services, Labor, and Corrections, and the Library of Michigan — and the various public, volunteer, private, and community organizations they support. (A summary of agency programs is included in Appendix B.)

In addition to its responsibility for educating those children and young adults in the public school system -- the workforce "pipeline" -- the Department of Education's Adult Extended Learning Services provide funds, technical assistance, and support to school districts and educational institutions for a variety of programs under several federal and state authorizations. Major programs include Adult Basic Education (basic reading, math, English as a second language, assessment, job search assistance, and related skills for adults functioning below the eighth grade level); high school completion (both academic and vocational programs leading to a diploma); post-graduate programs (academic and vocational); GED preparation (to prepare individuals for the GED exam); and the State Education and Coordination Grants Program of the Job Training Partnership Act (supporting training for dropouts, the dropout-prone, handicappers, and the hard to serve). The Department of Education also runs the Community College Services Unit, which supports, among other things, traditional remedial reading and math programs in community colleges. In addition, since the adoption of the Michigan Adult Literacy Initiative by the State Board of Education in 1985, the Department has assisted in the development of more than 85 volunteer literacy organizations, has funded the development of a training program for volunteer one-on-one tutors, and regularly pays for the local training of volunteer tutors.

The Department of Social Services' Michigan Opportunity and Skills Training (MOST) program provides eligible public assistance recipients with job, skill, and vocational training, community work experience, high school completion and GED assistance, remedial education (including English as a second language), and job-seeking and placement assistance. Individuals in the MOST program are referred to local adult education and related programs.

The Department of Labor administers most of the programs authorized under the federal Job Training Partnership Act, including the Adult and Youth Program, the Summer Youth Program, Michigan Youth Corps and the Dislocated Worker and Older Worker Programs (shared with the Governor's Office for Job Training). Programs emphasize on-the-job training, classroom training, and job search assistance, with emphasis on job placement. Some provide pre-employment training for young people, 14 and 15 years of age, who plan to enter the labor market upon leaving school and do not meet established levels of academic achievement.

The Department of Corrections provides adult basic education, GED preparation, vocational education, special education for the developmentally disabled, and practical programs in life role competencies, such as job seeking, budgeting, and the like.

***...too many classroom teachers long accustomed to regarding 'pupils' as equivalent children, tend to approach adults with some of the same attitudes that juvenilize the learning process. For illiterate men and women who have suffered through years of public education already, this often replicates the very atmosphere that first prevented them from learning.***

*Jonathon Kozol*
*Illiterate America*

***All vocational education majors should be expected to complete a core academic curriculum in addition to their occupationally specific training.***

*Investing In Our Children*

The Library of Michigan has helped develop and support volunteer literacy programs since the adoption of the Adult Literacy Initiative and, with federal funding in fiscal 1986, awarded grants to libraries developing innovative literacy programs and Michigan Literacy, Inc., the state organization for volunteer literacy efforts.

Finally, several additional programs aimed at Michigan's young adults, such as the Michigan Youth Corps and the Michigan Civilian Conservation Corps, provide employability skills training as an integral part of their programs.

## The Institutional Challenge to a Work-Ready Workforce

Michigan has a national reputation for excellent literacy programs. State programs serve tens of thousands of Michigan adults every year -- an extraordinary accomplishment. The next challenge is to build on this accomplishment by changing our institutions to meet the demands of unconventional times.

*Literacy is not a school problem but a systemic sociological problem.*

*Rachael Moreno*
*Associate Superintendent*
*Genesee ISD*

The first step in bringing about this change is to identify and overcome problems in the structure and operation of Michigan's adult training and educational system which stand in the way of achieving our work-readiness objective. Several problems were specifically identified during our interviews and analysis.

**Outdated Definitions.** Most of the programs that provide adult skill-building and educational services in Michigan are built around definitions of "literacy" — and therefore curricula — which are no longer sufficient. Many seek only to upgrade reading and math skills — an important objective but, according to employer interviews and recent research, insufficient to meet the demands of the workplace of the future. As we saw earlier, our workforce must have a broader range of language, computation, reasoning, and personal skills to excel. Many other programs (JTPA and some MOST programs, for example, along with many occupational training services) provide excellent training in specific, but often very narrow, task-related skills — fine, perhaps, for obtaining one job, but not enough upon which to build a career or an adaptable future. If Michigan's workforce is to meet the skill challenge of today and tomorrow, then these programs must be knit together by a common purpose and a common definition of what it means to be "work-ready."

*The fact is that people can and do learn to read using all sorts of methods. It may be that the key to their success lies in factors such as motivation of the learner, a clear relationship between the personal goals of the learner and the goals of the program, a supportive learning environment, or a clear relationship of the subject matter being taught to its utility in other life situations.*

*Enhancing Adult Literacy*

**Inadequate Integration Among Programs.** While there have been local efforts to create clearinghouses of available adult training and educational programs, statewide there is relatively little integration among state-supported programs or between state and private

programs. The challenge programs face is the same and so, in the broadest sense, are their objectives. In addition to lacking a unifying definition of the skills the marketplace demands, they lack a unified strategy for meeting those demands. Such a strategy must build upon the unique strengths of each program, whether employer, union, community organization, school district, or library-based. Such a strategy must also build partnerships between and among the programs and players.

*If literacy programs are going to be accepted by individuals most in need, a critical first step is to recognize and deal with the person's overall environment and condition of life. Literacy can be introduced more effectively as part of an overall plan of action that deals with multiple factors presenting a person's environment — a holistic approach.*

**Statute-Driven, Rather Than Consumer-Driven Programs.** Like so many other government programs, Michigan's publicly-supported adult training and educational programs were created by the provisions of many discrete laws and administrative orders, each designed with a different purpose. Some are welfare-based, others school-based, still others aim to reduce crime, and so forth. Ultimately, however, what should define the direction of such programs are the demands of the marketplace — the education and skill demands of our economy and the employers within it. If we are to be able to distinguish between who we have "served" and who we have "helped," and if we are to speed clients to employment so they retain the skills they have learned by using them, then we need to ensure that the adult education and training programs we provide or assist are shaped, in part, by the employers we hope will hire our graduates. To this end, a special task force recommended by the Governor's Commission on Jobs and Economic Development is working with the Governor's Cabinet Council on Human Investment and the Department of Education to identify the basic job skills necessary to compete in today's labor market and develop a tool for measuring these capabilities.

**The Absence of Expected Outcomes.** A problem related both to our outdated definitions of literacy and to the tendency of our programs to be "statute driven," is the absence of clear, measurable outcomes. We know only how many people we have served, not how many have actually acquired work-ready competencies, because we have few such explicitly stated, expected outcomes for our adult training and educational programs. Without them, and without an across-the-board system for tracking the extent to which they are being attained, we will continue to have no idea whether individuals have become more work-ready as a result of their participation, and no way to determine what kind of return we are getting on our investment. Programs must become outcome-driven and performance-measured.

**Eligibility vs. Accessibility.** Gaining access to Michigan's training and educational services often means either knowing the eligibility details of one or more of dozens of discrete programs, or being a member of a segment of the population for whom such programs are routinely provided — such as welfare recipients, or prison inmates. But many people in our workforce with genuine needs fall in neither of these categories. What's more, it makes it difficult for the small companies who will increasingly employ our workforce to connect with the training programs that already exist. If we are to close the existing skill gap and address the emerging skill challenge, access to these programs — both for workers and for employers — must be simplified. This does not necessarily mean that the programs currently in place at the state and community level need to be substantially restructured, just that it must be easier to obtain services. We need, in short, a more accessible, more "user-friendly" system.

**Lack of Individual Choice Reduces Commitment.** Today the operation of adult training and educational programs provides only limited opportunity for the individual to choose from among available programs. Often these decisions are based upon the judgment of a case manager to whom the individual has been assigned. While their judgments of the individual's needs may be accurate, the process removes from the individual the crucial element of choice. This process requires only a limited commitment on the part of the individual and even less of a personal investment. But the time involved in moving up the skills continuum is significant and personal commitment is crucial. A "user-friendly" system of access to these programs should incorporate individual choice as a crucial element, with professional assistance to those for whom such choices are difficult.

**Lack Of Comprehensive Assessment Standards.** For individuals who seek additional skills and those who provide them to be well-matched, our adult training and educational system must have a common set of standards for assessing the knowledge, skill level, and training needs of participants — standards which apply across all programs so information about them is comparable. Today, there are almost as many assessment systems as there are programs, and few are designed to address the broad range of skills required by our emerging economy.

***Today, there are almost as many assessment systems as there are programs, and few are designed to address the broad range of skills required by our emerging economy.***

**Sensitivity To The Adult Learner.** In our eagerness to help strengthen the skills of our workforce, we cannot forget the reasons those skills may be weak in the first place, and the personal barriers individuals may have to overcome to participate. Many of our adult training and educational programs, for example, are offered in the very environment most threatening to those the programs seek to serve: a school, or some other classroom-like situation. They may be

taught by classroom teachers who approach adults with the same attitudes or techniques they apply to young pupils. They may be located at places or scheduled at times that make participation by those who most need them difficult or even impossible. Some are marketed in ways that fail to appreciate the acute personal embarrassment experienced by adults living with the private knowledge of their limited education or skills — even those who have secured good jobs, succeeded in raising a family, and are responsible community members.

These problems are, for the most part, closely related. They underscore the fact that even with one of the largest commitments to literacy and adult skill enhancement in the nation, we still have a need for change. We must change if we are to build a competitive workforce.

*Public transportation patterns between the city and suburbs are such that they prevent inner city residents access to jobs in the suburb areas. As jobs and services continue to shift away from the center of cities many people are left behind to cope with poverty and limited opportunity.*

*Encourage...men and women to make training and retraining a lifelong priority.*

*Workforce 2000*

## Chapter Four

### THE SKILL-BUILDING STRATEGY: Principles and Recommendations For A Competitive Workforce

The increasing skill demands of our economy, the gap between these demands and the skills of our current workforce, and the decreasing skills of the new entrants to our workforce, present the adult training and educational system in our state with a formidable, dual challenge: to upgrade the work-readiness of our current workforce and assure the work-readiness of our future workforce. Even with the substantial investments we currently make, the gap between the skills our economy demands and the skills our people currently possess is widening.

This chapter presents the recommendations of the Adult Literacy Task Force. The recommendations are drawn from the Task Force's analysis of the effects of economic and demographic change on Michigan's workforce; interviews with employers, researchers, policymakers, education and training service providers, and their customers; and with the assistance of a number of nationally-recognized literacy experts with whom Task Force members worked during a year-long National Adult Literacy Academy. The recommendations fall into three categories:

**I. Strengthening the system**

**II. Supporting the system**

**III. Marketing the system**

The recommendations are presented within the context of several basic guiding principles.

## Principles for Improving Michigan's Skill-Building System

*The private sector can provide resources if the government has a plan of action.*

*Employer Interviewed*

To make the best use of the resources at our command and to ensure the maximum return on our current human investments, our skill-building system must be re-oriented.

From the education and training successes we have had in our state, we have learned that an effective adult training and educational system must integrate the work of all the key players — public and private — and be based upon five principles:

**Principle 1**: It must be **customer-driven** and **customer-sensitive.** The programs that work, that reduce the gap between the skills the workplace demands and the skills workers possess — whether offered by employers, unions, volunteers, private providers, or state agencies — have two things in common: they are designed to meet the work-readiness needs of employers and they are run in a manner sensitive to the personal needs and barriers faced by the individuals they serve. Whatever the genesis of the adult training and educational programs we currently support, whatever purpose they currently serve, all must be re-oriented to possess these two essential characteristics.

**Principle 2:** It must reflect the **shared responsibility** of the stakeholders. The state cannot close the skill gap alone. Employers have a responsibility to invest in their most valuable assets — their employees. Many do; many more must. The state must commit itself to consistent investments in its citizens. It has done so, but it must do better. And individuals who seek additional skills must be able to commit significant time and energy to investing in themselves and in their own future — investments they may have to make several times during a working career.

**Principle 3**: It must **empower individuals** to invest in themselves. If we are to ask individuals — those already working and those in search of work — to commit themselves to acquiring new skills, then we must also empower them to do so. That is, we must have a system which permits them to choose the course that best suits their individual needs and provides them with the wherewithal to pursue those needs.

**Principle 4:** It must be **"user-friendly."** Our bewildering array of public, private, and volunteer adult training and educational programs, each with their individual mandates, eligibility criteria, and target populations, must be integrated into a coherent system and made easily accessible to workers and employers who need or seek their services.

**Principle 5**: It must be **accountable.** We must know what programs achieve, not simply how many people they serve. Programs which receive public support must be able to report how far participants have advanced in each of the five skill categories in our new "work-readiness" definition of literacy. We must know the return we receive on our investments and make future funding decisions accordingly. And those who participate in such programs must be able to make choices based upon program performance.

## I. STRENGTHENING THE SKILL-BUILDING SYSTEM

While the more limited, traditional definitions guiding existing basic literacy programs in our state are valid, and the work being done is critical, our statewide goal must address the broader demands of our economy and the full range of skill needs of our workforce. Adoption of the broader, "workforce literacy" definition will drive curricula change and, thus, programmatic change. The comprehensiveness of the changes anticipated will most likely compel existing programs to examine current staff, implement retraining of staff, and explore effective adult teaching methods and new technologies for more efficient delivery of adult training and educational services.

**Goal: To assure that Michigan adults are able to understand and use printed information of all forms; perform quantitative function; possess the reasoning, communication, personal, behavioral, and job seeking skills needed to secure meaningful employment in the changing world of work; and lead rewarding lives.**

*Unless evaluation is built into the original design...and is included at every step...state policymakers will continue to find themselves in the situation they now face—one with no solid base of evaluative data on which to determine what works.*

*Enhancing Adult Literacy*

### Continuum Definition of Workforce Literacy:

- **Language/Communication Skills** (the ability to read and write, comprehend and easily use a wide range of printed materials, and speak clearly and effectively).

- **Quantitative Skills** (the ability to perform basic mathematical computations, understand charts and graphs, and apply these skills to analyze or synthesize quantitative problems).

*In addition, computer-aided instructional materials must be used in the context of a well-formulated plan of addressing the skill levels, needs and goals of the learner. Use of computers will not eliminate the need for staff sensitive to the needs of adult learners and the target group in particular.*

*Enhancing Adult Literacy*

• **Problem-Solving Skills** (the ability to reason and solve practical problems, follow complex written or oral instructions, and deal with situations in which there may be several variables).

• **Interpersonal/Attitudinal Skills** (possession of the qualities of self-esteem, motivation, reliability, and punctuality, the ability to deal with and work cooperatively with others, and acceptance of the concepts of lifelong learning, uncertainty and change).

• **Job-Seeking/Self-Advancement Skills** (the ability to assess one's abilities and ambitions and obtain the skills needed to fulfill them).

**Key Target Date:** Goal and definition adopted across state departments by January, 1989.

With the common statewide goal and definition as a guide, the policy board would establish the criteria for integrating existing state and federal programs into a more coherent system; establish outcome standards and expectations for each component; oversee design of elements which do not currently exist or redesign those which need to be changed or upgraded; establish standards of program quality related to determining client skills, aptitudes, special learning needs and supportive services needs; establish a system for monitoring the attainment of outcome expectations of all programs in the system; and have responsibility for allocating resources to those programs, based upon achievement of desired outcomes.

This can only be accomplished by development and implementation of a common data base for access to information-- a critical, early responsibility of the policy board. The policy board would also be charged with creating a standard format for reporting program outcomes that would eventually eliminate the currently incompatible data on Michigan's adult training and educational programs.

**Key Target Dates:** Establish the board by July, 1988; develop an implementation plan including roles, responsibilities and timelines by October 1, 1988.

**Recommendation 3: Simplify access to all adult training and educational services, focusing on a common system so that all Michigan citizens can participate in the development and management of their own skill-enhancement plan.**

Simplifying access will require the cooperation of state and local agencies to inventory and disseminate information about education and job training services in a coherent and user-friendly manner. This can be accomplished in part through the creation of a common access process which will involve at least two discrete steps: 1) establishing "service accounts" upon which each individual seeking skill enhancement will draw, with the scope of the account to be determined through skill and supportive services needs assessment; and 2) creating a "user-friendly" device by which individuals will access and manage this skill-enhancement account.

**Key Target Date:** Establish system by fall, 1988.

**Recommendation 4: Develop a standard skills assessment tool for measuring Michigan's work-readiness goal and definition to use with each participant in all training and educational programs. The assessment will be used to determine incoming skill levels (and thus the appropriate mix of services required), progress toward completion, and in measuring effectiveness of programs.**

*Stop turning people out of the educational system without skills.*

*Customer Interviewed*

Our system must be driven by each individual's skill needs in each of the categories included in the definition of "work-readiness," not by mandates or eligibility requirements of programs that currently exist. To accomplish this, a common assessment tool will help us craft custom training programs from the services currently available. It will also assist us in keeping track of each participant's progress. This tool will also be critical to insuring accountability in the system as a whole and to building a data base on which performance standards can be refined.

A standard skill assessment tool can be used by employers and training services. It can also be used by the policy board as a basis for measuring the effectiveness of programs, issuing annual training service "report cards" to consumers and "account holders," and ultimately, allocating operating funds and incentive dollars.

The work being done by the Basic Employability Skills Task Force, established as a result of a recommendation by the Governor's Commission on Jobs and Economic Development, could, with some modification, fulfill the need for a standard skill assessment tool.

**Key Target Date:** Complete draft by January, 1989; complete validation process by January, 1990; follow with immediate implementation.

## II. SUPPORTING THE SKILL-BUILDING SYSTEM

**Recommendation 5:** Foster joint investments that encourage individuals, the public sector, and the private sector to participate in building Michigan's workforce skills by: 1) creating incentives, and 2) encouraging partnerships. This effort would be enhanced by establishing a statewide partnerships and incentives clearinghouse.

Virtually all of the stakeholders in skill-building in Michigan are already making investments in adult training and education -- state agencies, local training and education agencies (adult education, community colleges, JTPA, DSS), libraries, community and volunteer groups, private businesses, unions, and individuals. Yet still more must be done. Expansion of Michigan's skill-building and lifelong learning system can best be accomplished by additional joint investment of resources, and the kinds of investments are as limitless as the needs. Partnerships and incentives can play major roles in increased investment; therefore, fostering partnerships and creating incentives are critical to Michigan's entire workforce skill-building strategy.

***Partnerships are collaborative efforts...that shape the public and political debate, bring about substantive changes in state or federal legislation or school governance, and affect the overall direction of the education system.***

***The Fourth R***

Partnerships can improve management, curricula, supportive services, access to services, and staff development; reduce overhead; encourage alternative instructional methods; inspire individuals to learn and excel; and provide public recognition for excellence.

Incentives, to the extent possible, could come in the form of bonuses to individuals and funding increases to programs who approach the skill-building challenge with energy and innovation. We could reward employers who survey the skill levels of their workforce and who either establish programs to address shortcomings or make it possible for their workers to strengthen their skills through public programs. The state should lead the way in this effort by working through the Department of Civil Service to survey the need for and delivery of skills to its own workforce. This effort in and of itself would serve as an incentive to other employers.

Legislation is needed to reduce disincentives to learning. For example, prison inmates who participate in educational programs and show progress should be assured the same pay as those who participate in work programs. Additional joint venture ideas, both existing and potential, can be found in Appendix A.

While there are many examples, the innovators who forge them often get little recognition for their achievements and the rest of the state often does not learn of innovations that might be duplicated elsewhere. A statewide clearinghouse would collect both ideas and techniques, attempt to evaluate the effectiveness of some of the models, and create a statewide awareness of the payoffs such partnerships and incentives can generate. Clearly, we must send an unmistakable signal -- inside and outside the state -- that we are tangibly committed to and value the involvement of all stakeholders in upgrading the work-readiness of Michigan's workforce.

***More resources need to be devoted to the retraining of existing faculty in some of the new technologies and new processes.***

***James Jacobs***
***Training and Public Policy***

**Key Target Date:** Conduct initial review and draft legislation to eliminate disincentives by June, 1988; announce new incentives by March, 1989; establish clearinghouse (see Recommendation 6) by spring, 1989.

***People must be willing to go out on a limb to shake things up.***

***Employee Interviewed***

Working initially with existing (but currently incompatible) data on Michigan's adult training and educational programs, and later accessing the policy board's common data base which will be strengthened from: 1) application of the standard skill assessment work-readiness measuring tool; and 2) other program participant evaluation data, the Institute would develop and maintain a detailed profile of the work-readiness of Michigan's workforce -- the first in the nation.

There is currently no central clearinghouse in Michigan for gathering and disseminating information and research on workforce work-readiness . In addition, application of that research in the field is erratic and, in some cases, nonexistent.

The Institute will be involved in the research and development of effective adult learning theory and strategies, new curricula materials,

alternative delivery methods, and training programs for both public and private service providers. The Institute will also evaluate the many successful local experiments in adult training and skill-enhancement, and disseminate information on these model programs.

*The backbone of Michigan's skill-building system is the network of public, private, and volunteer service providers who strive to meet our state's training needs.*

**Key Target Date:** Develop Institute charter and identify private sector co-sponsor(s) by January, 1989.

**Recommendation 7: Support Michigan adult training and educational providers with formal training and technical assistance to strengthen their ability to design and deliver programs which meet the statewide goal and definition.**

The backbone of Michigan's skill-building system is the network of public, private, and volunteer service providers who strive to meet our state's training needs. If we are going to broaden the skill-building challenge they must address, and we must, then we must also assure them of the training and regular technical assistance they will require to develop and deliver high quality programs. We must be as committed to them as we expect them to be committed to our new goal. We must, in short, "put our money where our mouth is." We must modify and expand existing staff training efforts. New curricula need to be developed and trainers need to be trained for programs designed to meet our new statewide "work-readiness" definition.

**Key Target Dates:** Policy Board to identify a technical assistance and training "resource" by fall, 1988; develop ongoing curricula and technical assistance efforts to tie in with the Institute by spring, 1989.

*The Governor and staff must be completely committed to refocusing the approach of the existing system and must provide the time and attention necessary to insure that this takes place.*

*Enhancing Adult Literacy*

## III. MARKETING THE SKILL-BUILDING SYSTEM

The key to the marketing of these initiatives is the simplicity that lies at the heart of the system — the exchange of a myriad of programs, qualifications, and eligibility requirements for a common access mechanism, a single comprehensive skills assessment tool, and the opportunity for each individual to custom-craft his or her own skill-building program. To ensure that stakeholders understand both the opportunities and the challenges presented by these changes, information programs must be targeted to each audience -- existing service providers, employers, current workers, new entrants to the workforce, individuals on public assistance, and others looking for work.

*We will gauge the quality of government services by measuring performance and results, not by the amount of money spent. And we will insist on innovation to provide the ideas and opportunity that will keep Michigan leading the nation.*

*Gov. James J. Blanchard*

A second major group of stakeholders in the process involves those in state government -- legislators, staff of state departments, and executive staff. The new approach must be explained thoroughly, with opportunity for the various impacted agencies to become involved in fine tuning and implementing the program.

The Governor's involvement is critical. The full leadership capacity of his office will be needed to inspire and mobilize the energies of state government, the Legislature, private industry and individual citizens of this state. Convening statewide conferences for and follow-up with key leaders, meeting with representatives of the print and electronic media, making public appearances, and spotlighting exemplary efforts are all suggested strategies.

**Key Target Dates:** Develop state-level marketing and information strategies by May, 1988; develop marketing plan for remaining audiences with roles and timetables by June, 1988.

# Appendices

## APPENDIX A: Additional Examples of Possible Joint Investments, Partnerships and Incentives

The following ideas are suggestions from Task Force members as a result of our readings, interviews, and own experiences:

- Local businesses and schools form a compact to provide jobs and/or scholarships in exchange for school performance.

- Business, government, and individuals equally share the costs of health care insurance for low income workers.

- Service providers, individuals and the individual's support structure jointly form a compact to clarify and accept responsibilities to maximize the learning/training experience.

- Businesses and business organizations (e.g., Service Corps of Retired Executives, Executive Service Corps, Chamber of Commerce) assist educational institutions in improving their management skills.

- Businesses provide through community-based organizations funding, management, and employee support for the tutoring of adults.

- Literacy volunteers work with educational institutions, businesses, libraries and community-based organizations to develop a coordinated approach to adult tutoring.

- Company-funded engineering scholarships for public school students, especially in Southeast Michigan, in exchange for students meeting pre-agreed upon educational standards.

- Public and private schools, businesses and business organizations, local government, and community-based organizations form partnerships with incentives to provide affordable, quality child care for workers.

- Business, union, government and education develop an experimental model to explore the cost effectiveness of joint utilization of physical facilities and equipment.

- The National Guard and training and educational programs develop joint programs to qualify National Guard applicants for enlistment (the National Guard, one of the largest employers in Michigan, currently turns away many applicants due to low skills).

- Local educational programs (K12, ISDs, community colleges, etc.) coordinate their staff development efforts.

- Business, union and employees set up a tax-free revolving training/retraining fund for employees to draw upon; possibly tied with the service accounts.

- Establish inter- and intra-governmental partnerships (education, social services, labor) to incorporate into basic skills and job training curricula, units on reading preparation techniques, with hands-on reinforcement, so that parents learn concrete ways to increase the reading potential of their preschoolers at the same time they are increasing their own reading ability.

- Businesses make contributions to the Michigan Education Trust (MET) fund on behalf of schools or classrooms to guarantee college tuition in exchange for a certain standard of school performance and graduation.

- Business and government (Department of Corrections) develop programs to guarantee jobs for ex-offenders for at least 90 days following the time of release on parole; ex-offenders are to maintain pre-agreed upon work performance levels.

- Education and business provide paid leaves of absence to spend up to a year working at the Human Resource Research and Development Institute.

- Motivate workers to seek entry-level jobs by allowing them to keep Medicaid for a certain length of time.

- Businesses to initiate school or teacher of the year awards with a monetary prize.

- Give Governor's Excellence Awards to institutions for dynamic and innovative approaches to the skill-building effort.

## APPENDIX B: Status of Existing Training and Educational Services

There are a number of existing local adult training and educational services throughout Michigan. In fact, Michigan is viewed nationally as being one of the most highly developed states relative to services delivery involving a variety of options to the potential client. State-level agency involvement in these local services varies. Some state agencies provide needed services directly and others seek such programs for their clients through either referral or purchased contractual arrangements. The need for state and local cooperation and collaboration to insure non-duplication of efforts is evident, and more prevalent in some areas than in others.

Funding for local adult training and educational efforts is derived primarily from state dollars and federal pass through dollars. However, there is evidence of local community and private sector support for various services. The community involvement tends primarily to support the volunteer literacy movement. Private sector financing, other than some major gifts to volunteer efforts, tend primarily to fund basic skill development and other training for employees.

Following is a summary of the principle adult training and educational efforts by state departments and agencies.

### MICHIGAN DEPARTMENT OF EDUCATION

#### Adult Extended Learning Services (AELS)

This service area within the Bureau of Education Services is responsible for providing funds, technical assistance, and other services to educational institutions and agencies which provide education and training primarily for adults.

In 1964, adults were included for funding under the Michigan State School Aid Act. Each school district offering allowable programs for adults is guaranteed a basic amount of funding, approximately $2,700 (local and state dollars combined), for each full-time equated adult student without a diploma. The State School Aid Act also provides this level of funding for 18 to 20 year old graduates in need of additional academic or vocational skills.

Programs include:

Adult Basic Education - instruction in basic reading and mathematics, English as a second language, and job readiness skills for adults functioning at less than an eighth grade reading or math level

Adult High School Completion - academic and vocational classes leading toward a high school diploma

Post-Graduate Programs - academic and/or vocational

GED Preparation - classes prepare individuals for the GED examination

In addition to state school aid dollars, AELS has the direct responsibility for distribution of federal Adult Education Act dollars (P.L. 98-511). These dollars must be used in literacy-type basic remediation programs such as Michigan's Adult Basic Education (ABE) program. They may not be used for hands on vocational education. Thus, local school districts operate ABE programs using both federal and state funds.

During 1986-87 Michigan received approximately $3.4 million in federal ABE dollars, and $2.5 million were distributed to local organizations for direct operation of programs. The remaining $900,000 went toward administration and other state-level activities such as:

- Grants for special demonstration projects
- Statewide and local staff development and training programs
- Michigan Adult Literacy Initiative - staff and related activities (See next page.)

AELS also administers the State Education and Coordination Grants Program (JTPA 8% Governor's set-aside monies). This program provides funds for the training of both youth and adults representing drop-outs, the dropout prone, persons with handicapping conditions, and the hard to serve. Its objectives are to encourage the fullest participation of the education community in this training and to increase state and local coordination to insure comprehensiveness.

## Summary of Programs

Adult Basic Education:

- Approximately 60,000 persons are served annually.
- One hundred and twenty programs encompass 250 local school districts.
- Net school aid of $31.5 million were expended in 1987-88.
- Local millage of $55.8 million were expended in 1987-88.
- Federal Adult Education Act totalling $2.5 million were expended in operation.

GED/High School Completion/Post-Graduate Program:

- Approximately 120,000 persons are served annually.
- Two hundred and eighty-three programs encompass 342 school districts.
- Net school aid of $64.4 million were expended in 1987-88.
- Local millage of $58.3 million were expended in 1987-88.

JTPA 8% Coordination Program:

- Approximately 7,800 persons were served in 1986.

- Training services were facilitated through 26 local service delivery areas at an estimated 180 training sites.

- Approximately $6.2 million were expended in direct program operation.

**Michigan Adult Literacy Initiative**

Literacy has been a major emphasis for Adult Extended Learning Services for over 20 years. However, with the publishing of the State Board of Education's document, *Better Education for Michigan's Citizens: A Blueprint for Action,* literacy became a renewed priority. Due to a mandate contained in the *Blueprint*, a statewide coordinating committee was convened representing education, labor, industry, agencies, religion and community based organizations. This committee recommended a five-year plan of action which was adopted by the State Board of Education in June of 1985, to radically reduce the problem of adult illiteracy in Michigan. This plan, the *Michigan Adult Literacy Initiative,* has achieved significant progress in each of its objectives including a literacy public awareness campaign and establishment of the volunteer literacy movement in Michigan.

Prior to approval of the *Literacy Initiative,* the statewide coordinating committee was able to identify approximately 11 active, yet relatively small, volunteer literacy organizations throughout the state. Since 1985, the number of volunteer literacy organizations has grown significantly.

**Summary of Program**

- Over 85 volunteer literacy organizations encompass nearly every county; some encompass two or three counties.

- Approximately 5,000 volunteers have been trained.

- A volunteer training program has been developed, *The Michigan Method for Volunteer Literacy Training,* which is used by a majority of Michigan volunteer literacy organizations.

- Operating budgets range from less than $2,000 to over $40,000.

- Over 4,000 adults have been served.

- Volunteers are used for one-on-one tutoring as well as in local literacy classrooms provided by adult education and other organizations.

**Community College Services Unit**

In addition to Adult Extended Learning Services in the Department of Education, the Community College Services Unit encompasses all those activities provided by Michigan's 29 community colleges. In 1985, five community colleges were offering the traditional literacy services of remedial reading and mathematics. Since then, the number of community colleges either offering or exploring the offering of these services has grown. No specific statewide statistics relative to numbers of students, numbers of programs, or expenditures were attainable at the time of writing this report.

## MICHIGAN DEPARTMENT OF SOCIAL SERVICES

The Michigan Department of Social Services administers an employment and training program for public assistance recipients called the Michigan Opportunity and Skills Training (MOST) program. The MOST program assists eligible recipients of public assistance in taking advantage of a variety of education, training, and employment opportunities. Components such as job seeking, job placement, job training, skill training, vocational training, community work experience, community volunteerism, high school completion or GED, remedial education, and English as a second language, are used to assist clients in achieving the goal of self-support.

DSS works closely with local adult education and other educational programs to refer its clients for various services, thus taking advantage of multiple funding sources and insuring non-duplication. Again, the degree to which this cooperation exists varies across the state.

The Michigan Department of Social Services and the Michigan Department of Education entered into a state level agreement to promote cooperation for education and training services in 1984. This formalized agreement continues to positively influence coordinated activities at the local level. Significant numbers of DSS clients are enrolled in local adult education programs annually.

**Summary of Program**

- Approximately 300,000 individuals are registered in the DSS/MOST program during any given month.

- Over 94,500 eligible clients (registrants) are actively involved in a variety of MOST program activities each month.

- The MOST program has an annual budget of $40 million, with $21 million allocated for purchase of employment and training services and $19 million allocated to direct employment and training service delivery.

- Over 23,000 welfare cases are closed each year due to employment resulting in a savings in excess of $17.5 million annually.

## MICHIGAN DEPARTMENT OF LABOR

The Department of Labor has the direct authority to administer the federal Job Training Partnership Act (JTPA) in Michigan. Major programs include the:

**Adult and Youth Program (Title IIA)**

**Summer Youth Program (Title IIB)**

**Dislocated Worker Program (Title III)**

**Three Percent Older Worker Program (Title II set aside)**

There are several other "set-aside" programs, including the 8% Education and Coordination Grants Program mentioned under the Department of Education section. Administration of the Title III and Three Percent programs are shared by the Department of Labor and the Governor's Office for Job Training.

Job search assistance, on-the-job training, classroom training and other job training related services are among the allowable activities. A job training plan may provide for pre-employment skills training for youth and individuals 14 and 15 years of age, with priority being given to those individuals who do not meet established levels of academic achievement and who plan to enter the full-time labor market upon leaving school.

### Summary of Programs

- Approximately 82,695 individuals are served annually.

- Programs are administered in 26 service delivery areas through a network of numerous local agencies.

- Over $108 million are expended for direct operation.

### Michigan Youth Corps

The Michigan Department of Labor also administers the Michigan Youth Corps, providing public sector summer work experience for youth who are unemployed residents 18 to 21 years of age. Education, particularly employability skills training is an integral part of the program. In 1987, approximately 22,000 youth were served. Also during 1987, special services for high school dropouts were added. The need for this component was based on a 1986 pilot at four sights within the state.

Of the $30 million allocated in 1987 for the Michigan Youth Corps, 82 percent goes to direct wages, eight percent for general administration, and 10 percent for non-wage related expenses including education and transportation.

## LIBRARY OF MICHIGAN

The Library of Michigan is the state library agency for Michigan. Among the federally mandated responsibilities which fall to the Library is to administer Titles I, II and III of the Federal Library Services and Construction Act (LSCA). Fiscal year 1986 marked the first appropriation of federal LSCA monies for the purposes of adult literacy programs. LSCA Title I is designated for all types of public library service, including the provision of grants for literacy programs.

Title VI is earmarked exclusively for literacy programming in libraries. Fiscal year 1986 was the first year in which Congress was able to provide an appropriation of $4.7 million nationwide. These monies are administered directly through the U.S. Department of Education and are available to both public libraries and state library agencies on a competitive basis.

### Summary of Program

- A majority of Michigan's volunteer literacy programs are housed in library related agencies.

- The Department of Education and the State Library of Michigan have worked cooperatively on the development of volunteer literacy programs since the inception of the Michigan Adult Literacy Initiative.

- In 1986, the Library of Michigan designated $125,000 of their state Title I monies for competitive grants to libraries for literacy efforts.

- In 1986, 25 Michigan libraries including the Library of Michigan applied to the U.S. Office of Education for Title VI funding. Of these applications, 13 were funded bringing approximately $265,000 to Michigan for literacy efforts.

## DEPARTMENT OF CORRECTIONS

The Department of Corrections has the direct authority and mandate to provide educational programs for the over 20,500 inmates in Michigan prisons. Educational programs within each prison include adult basic education, GED preparation, vocational education training, special education for the developmentally disabled, and special programs on life role competencies such as budgeting, job seeking skills, etc. In addition, classes are made available by local community colleges at the prison site.

Funding for the prison programs are provided by state and federal funds. State appropriated funds are allowed for adult basic education, GED preparation, and other academic and vocational classes, similar to that allowed for other state department agencies.

In addition, federal pass-through-dollars, such as those granted under the Adult Education Act for adult basic education, are granted to the Department of Corrections from the various other departments responsible for distributions of these funds.

Funding for the community college classes is provided through the local community college budget.

**Summary of Program**

- Over 7,000 inmates are served in the various programs:

  2,315 in vocational education

  1,189 in adult basic education

  1,508 in GED preparation

  1,217 in community college classes

  483 in life role competencies classes

  323 in the Title I programs

  231 in special education services

- Approximately $17 million were expended in 1987-88.

- For the period of April through September, 1987, of those 1,080 inmates who took the GED test following completion of course work, 70.2 percent (758) passed.

## APPENDIX C: Interview Findings

The Literacy Task Force interviewed 130 individuals across the State of Michigan to determine:

1) Skills, attitudes, and education needed to get and keep a job in Michigan today and in the future;

2) Problems that employers, service providers and service users experience in hiring, training and finding jobs;

3) Recommendations to improve current training and educational systems; and

4) Incentives which could be put in place to encourage employers, agencies, providers, and individuals to become involved with the upgrading of literacy and other work-related basic skills.

Policymakers, researchers, employers, training and educational service providers and their customers were interviewed during an intense three week period of time. Interviews were designed so that six peers were interviewed at one time by two interviewers from the Task Force. All panelists were asked the same questions and answers recorded in writing by Task Force members. At the end of each interview (20 in total) Task Force members spent one hour analyzing, synthesizing and coming to consensus regarding responses.

The interview findings were further summarized into the following three categories which were, in part, the foundation for the Task Force recommendations:

- Skills, education, and attitudes needed to get and keep a job today and in the future
- Problems cited by employers, service providers, customers
- Recommendations

### Skills, Education and Attitudes Needed to Get and Keep a Job in the Future

By far the most common skill mentioned (19 of the 20 interview groups) was "basic literacy skills" including reading, writing, math and comprehension. Computer skills, computer literacy, and computer experience was the second most often identified skill. Major discussion (cited by 17 of the 20 panels) centered on essential behavioral and attitudinal skills such as work ethic, time and attendance, punctuality, flexibility and adaptability, understanding the new world of work, lifelong learning, ability to follow direction, accepting the reality of a constantly changing world of work, and individual motivation.

Communication skills (cited by 16 of the 20 groups) were described as both written and oral. Workers need to have the ability to use language effectively to communicate and share ideas.

Self-esteem and self-confidence were cited as integral in the work environment, in effectively communicating ideas, and seeking and finding a job. These all are related to effective interpersonal skills. Individuals need to be able to work with other people. Teamwork, people skills, participatory management were examples often used when interpersonal skills were mentioned. Thirteen of the 20 groups cited interpersonal skills as very important.

Specific job skills, discussed by 10 of the 20 groups, were not as important as basic literacy, attitudinal and interpersonal skills. Most employers explained that if workers were equipped with the basics, specific job skills could be taught on the job.

Academic credentials such as a high school diploma or post-secondary degree were only mentioned as important by five and two of the groups, respectively. More compelling was the notion that workers would need the skills associated with a level of education, but not necessarily the "piece of paper."

## Problems

Not surprising was the fact that the problem most often observed (cited by all 20 groups ) was the lack of appropriate behavioral and attitudinal skills. Lack of motivation, punctuality, flexibility and adaptability, resentment of supervision, inability to follow directions and an unrealistic perception of options were recurring themes.

Problems across systems (cited by all 20 groups) included duplication of services, varying eligibility criteria for services, lack of family support,and lack of system support for such things as child care and transportation. Access to information about services was either not available or too confusing. And, training was not keeping up with the kinds of advanced technology being used in Michigan's workplace today.

Problems in the educational system were discussed in 15 of the 20 groups. A lack of current technology as well as not preparing youth for the "real world of work" were cited along with negative teacher attitudes and prejudices. Inadequate teacher skills and low expectations for teachers by the system was mentioned along with the need for increased accountability for schools. "The high school diploma has to mean something." Adult education funding,the fact that some of its money is diverted to K-12, as well as the practice of mixing troubled youth with the adults were discussed as problems. A lack of recognition of individual differences, such as learning disabilities, different learning styles and interests, described some individuals' frustration with the school system.

Discrimination on the part of the employers, the welfare system, education and others against minorities, handicappers and women was cited by 14 of the 20 groups.

Lack of basic skills and a lack of jobs, particularly jobs which pay a living wage and provide benefits, discussed in 14 and 12 of the groups respectively, were followed in importance by problems in the welfare system. The principle problem cited here was the disincentive for welfare clients to accept low-paying jobs. By accepting low-paying jobs, welfare clients risk losing their essential benefits.

**Recommendations**

Recommendations made in all 20 interview groups fell into five categories. The first category dealt with creating an **integrated system** for providing adult training and educational services. Common intake and creating a user-friendly system with options (a one-stop shopping approach) for both clients and employers were described as needed. Better use and leveraging of resources were sited as further rationale for an integrated system.

**Centralized access to information**, coordinated by state government, became the second category of recommendations. Information needed by customers, employers, and service providers included data on programs. In addition, service providers expressed a need for planning data on a geographic basis, such as information on job projections, demographics, and resources.

The third category of recommendations centered around **joint investments**. Interviewees recommended that all entities should take responsibility for the skill upgrading of Michigan's workforce — business, governmental agencies, unions, training and educational service providers, communities, families, and individuals as customers of services. Examples of partnerships which could be formed and possible incentives were suggested.

**Accountability**, as a fourth category, focused on outcomes. Interviewees emphasized that the "system" cannot continue without holding schools, administrators of agencies, teachers, and individuals — as students or users of Michigan's various training and educational services — accountable for expected outcomes. Pre-assessment, exit competency testing, attendance and drop-out policies, and monitoring or testing for learning disabilities were examples of needed or increased accountability strategies.

The final category, described as a **support system**, focused on the kinds of support needed for individuals to be successful in any skill upgrading effort. Child care, transportation, health care, transitional support during and following training, counseling (both career and academic), family support and intervention, and substance abuse prevention and intervention were all examples cited by interviewees.

## APPENDIX D: Persons Interviewed

The following individuals, through personal interviews, surveys, or written responses, contributed to the breadth of this report. We thank each of them.

**Customers**:

Mike Bell, education class enrollee, Michigan Training Unit
Norma Jean Bowlin, adult education student, Lansing
Eugene Cameron, education class enrollee, Michigan Training Unit
Ronald Davis, dislocated worker, Highland Park
Renee Fleming, former ABE student, Pontiac
James Ford, education class enrollee, Michigan Training Unit
Eloy Guyer, English as a second language student, Dewitt
John Hamilton, community college dislocated worker training, Durand
Robert Hoard, education class enrollee, Michigan Training Unit
Tia Kaigler, summer youth program, Hamtramck
Anthony Larmon, education class enrollee, Michigan Training Unit
Ralph Maldonado, former community college student, Lansing
Mary Matthews, Pontiac
Kathleen McDonald, community college training, Dearborn
Terry McGee, dislocated worker, Pontiac
Ron Morrison, former ABE student, Lansing
Michael Meyers, dislocated worker, Pontiac
John Mytko, volunteer literacy student, Alpena
Otis Newton, education class enrollee, Michigan Training Unit
Vincent Orsetto, unemployed, Mt. Clemens
Rickey Paschal, ABE student, Muskegon
Darryl Pharr, ABE student, Detroit
Juaquin Levi Reeves, education class enrollee, Ionia
Merlissa Robinson, summer youth program, UCS training, Hamtramck
Verle Seiler, former ABE student, Carson City
Ken Smith, machine shop student at Focus: HOPE, Detroit
William Southwell, ABE student, Sumner
Carl Trammell, education class enrollee, Michigan Training Unit
Maxine Vargo, community college reading academy student, Detroit
Barry Lee Whittaker, dislocated worker, Pontiac
Vanessa Williams, summer youth program, UCS training, Hamtramck
Paula Wissell, dislocated worker, Pontiac
Forest Wright, Focus: HOPE student, Detroit
William Young, new reader with tutor, Detroit

**Employers and Employer Associations:**

Malcolm Applegate, Editor, Lansing State Journal, Lansing
James Barrett, President, Michigan State Chamber of Commerce
William Blackburn, Civil Service Department, State of Michigan
Paulette Boggs, American Automobile Association, Dearborn
Major David Britton, Michigan National Guard, Lansing
Mark Crawford, WUHQ TV 41, Battle Creek
Kathy Easler, Personnel, Northwest Airlines, Livonia
Ms. Clair Hall, Personnel Dept., City of Detroit
Cheryl Hayes, President, Personnel Assoc. of Mid-Michigan
Roberta Hendrichs, Training and Development Office, Michigan Consolidated Gas, Detroit
Sally Hoben, Henry Ford Hospital, Detroit
Olga Holden, Human Resources Manager, John Henry Co., Lansing
Mona Hood, Employment Resources, Perry Drugs, Pontiac
C.S. Hough, President, Employment Relations, Upjohn Co.
Clyde J. Jones, Centerline Electric Inc., Centerline
Ron Kitlas, Kellogg Co., Battle Creek
Lee Ludwig Cote, General Manager, Hudsons, Westland
Fred Landsiedel, Personnel Officer, National Bank of Detroit
Ron Orderlinde, Ambulance Enterprises, Inc., Kalamazoo
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Representative James O'Neill, Chair, House Appropriations Subcommittee on Education
Representative Nelson Saunders, Chair, House Urban Affairs Committee
Senator John J. H. Schwarz, Chair, Senate Education and Mental Health Committee
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